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ABSTRACT

State and local efforts at interagency collaboration for handicapped children are examined in a report that first describes the mandates of P.L. 94-142, The Education For All Handicapped Children Act. Effective approaches to state-level interagency collaboration in Louisiana, Delaware, Maine, New Jersey, Michigan, Rhode Island, Massachusetts, California, Maryland, Colorado, and Utah are identified. Activities described include clarifying responsibilities for handicapped students in state-operated residential programs, promoting local interagency collaboration for specific target population groups, establishing general state policy with regard to service delivery and financial responsibilities among agencies, and sharing information among agencies. Factors contributing to the effectiveness of interagency collaboration strategies are listed, including ongoing rather than one-time collaboration and attention to local follow-through. (Sample interagency agreements are appended.) (CL)

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VOLUME 1:

EFFECTIVE STATE STRATEGIES TO PROMOTE INTERAGENCY COLLABORATION

by
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A Report of
The Handicapped Public Policy Analysis Project
(Contract #300-82-0829)

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Preface

The Education for All Handicapped Children Act, Public Law 94-142, was enacted in 1975. The statute requires that a "free appropriate public education" be available to all handicapped children (age 3 through 21) in the United States, regardless of the severity of their handicap unless services to children aged 3-5 or 18-21 would be inconsistent with state legislation. The law also mandates that State Education Agencies (SEAs) and Local Education Agencies (LEAs) develop special education and related services to meet these children's unique needs. In tandem with Section 504 of the Rehabilitation Act, as amended, this law has had, and continues to have, a profound impact on, not only handicapped children and their families, but also the entire public education system.

Implementation of P.L. 94-142 has proven difficult in many respects. While the law mandated major new responsibilities to state and local education agencies, it did not provide detailed federal guidance nor full financing to carry out these responsibilities. As a result, state and local education agencies have had to develop a wide range of new policies to implement the law. In so doing, they have confronted problems and controversies ranging from the consequences of shrinking human service resources and the debate over the rights of handicapped persons, to professional disagreements about the most effective settings in which to educate handicapped children.

Recognizing the importance of providing states with technical assistance to implement P.L. 94-142, Special Education Programs (SEP) of the U.S. Department of Education (formerly the Office of Special Education) awarded a contract to the Center for the Study of Social Policy (CSSP) to (1) identify effective policies used by state and local education agencies that serve handicapped children; and (2) disseminate information about these strategies to federal, state, and local decision-makers.

In conducting this project, the Center analyzed state and local policies in five areas of implementation:

- Interagency collaboration;
- Provision of related services;
- Provision of services to handicapped students in out-of-district placements;
- Implementation of the least restrictive environment mandate; and
- State monitoring and compliance activities.

The project design proceeded from a broad overview of policies and implementation strategies developed by states and local districts, through successive stages of data collection. A telephone survey was conducted in all 50 states; follow-up site visits were made to 18 states; and over 400 LEAs recommended as having effective policies were surveyed, with approximately 60 follow-up telephone interviews and field visits to some 35 LEAs.

From these data collection efforts, the project has produced four reports:

Volume 1: Effective State Policies to Promote Interagency Collaboration. The first volume sets forth a perspective on interagency collaboration which applies not only to this volume of the report, but to the other three volumes as well. This volume also reviews the use of state interagency committees, interagency agreements, and other collaborative efforts designed to (1) define responsibilities for services to children in residential facilities; (2) promote local interagency collaboration; (3) assign service delivery and financial responsibilities among state agencies; and (4) share information across agencies.

Volume 2: Effective Policies in the Provision of Related Services. This report documents effective state and local policies in providing related services to handicapped children. The areas reviewed here include those state policies which clarify education agencies' responsibilities, and those which increase the resources available for related services by securing other state agencies' cooperation. This volume also examines local policies which (1) obtain resources from other human service agencies, (2) pool resources to increase the availability of services, and (3) seek to develop new programs for specific population groups such as emotionally disturbed students.

Volume 3: Policies Which Address Out-of-District Placements and Assure Education in the Least Restrictive Environment. This volume examines two important policy areas: the provision of services to children in out-of-district placements and the implementation of the least restrictive environment mandate. State policies are analyzed which help SEAs influence local placement decisions, as well as others which transfer responsibility back to the LEAs for institutionalized handicapped students. This volume also examines local policies which utilize the resources of other human service agencies to implement the LRE mandate. These policies include those through which LEAs develop new programs to enable students to remain in local public schools; others that reflect LEA procedures to allow greater control over placement decisions, and still others that seek to change attitudes about integrating handicapped and non-handicapped students.

Volume 4: Effective State Monitoring Policies. The final volume examines two policy areas. The first focuses on SEA policies that seek to evaluate program quality as well as perform compliance monitoring. The second examines alternative strategies used by SEAs to effectively monitor education programs administered by other state human service agencies.

Support for this work was provided by Special Education Programs, the U.S. Department of Education, under Contract #300-80-0829. Full responsibility for the accuracy of its findings and conclusions rests with the Center for the Study of Social Policy. However, many thanks are due to the officials of state and local education agencies and other human service agencies who gave their time to discuss their programs and provide the information upon which the projects' reports are based. In addition, staff of the Center would like to extend particular thanks to several people whose efforts contributed to these reports. Ray Smiches, the study's initial contract officer at the U.S. Department of Education, helped define the scope of the study and contributed to its work throughout. David Rostetter and Jaddis Franklin, the subsequent contract officers, made numerous improvements in the style and content of the reports. Dr. Kenneth Olsen and Ethel Bright from the Mid-South Regional Resource Center, the University of Kentucky, generously shared their own work, assisted in the Center's data collection efforts, and worked collaboratively in the preparation of the related services volume. Dick Galloway and Beverly Osteen of the National Association of State Directors of Special Education also assisted Center staff in all phases of the project's work.

VOLUME 1

EFFECTIVE STATE STRATEGIES TO PROMOTE INTERAGENCY COLLABORATION

EXECUTIVE SUMMARY

INTRODUCTION

Following P.L. 94-142's passage, the concept of "interagency collaboration" was approached enthusiastically by special education policymakers. State and local interagency efforts proliferated, spurred by a belief that interagency activity could improve and expand services for handicapped children and thus help carry out the difficult federal mandate.

Many of these early interagency efforts foundered. They proceeded slowly, failed to have any lasting effect on service delivery, and only rarely addressed the most difficult issues of interagency financing and cost-sharing. An appreciation of the difficulties of interagency efforts began to replace the earlier optimism. Policymakers began to recognize that interagency collaboration was not appropriate in all circumstances or for solving all problems.

This report analyzes a number of state-level interagency efforts that have grown out of this more realistic approach to interagency collaboration. The report first describes the P.L. 94-142 mandate that has encouraged interagency activities. It then establishes a perspective for understanding these activities and, from that perspective, discusses state activities which demonstrate that collaboration can produce benefits for educating handicapped children.

I. THE P.L. 94-142 MANDATE AND AN INTERAGENCY PERSPECTIVE ON SPECIAL EDUCATION SERVICES

Several of P.L. 94-142's provisions have led to increased contacts and stronger working relationships between state education agencies (SEAs) and other state human resource agencies. First, the requirement that the SEA act as the single state agency responsible for assuring the provision of special education and related services to all handicapped children in the state changed many SEAs' roles with regard to other state agencies (see 20 U.S.C. 1412 (6)). For example, this provision required SEAs to ensure that educational programs in state institu- tions complied with federal law -- thereby forcing SEAs to exercise new authority over other state agency programs. Second, P.L. 94-142's mandate that education agencies assure the availability of related services led many SEAs to negotiate access to services offered by other human service systems.

Many SEAs were unprepared to pursue interagency activities successfully. Within state organizational structures, divisions of special education often had neither the resources, the visibility, nor the authority which had accrued to other state agencies serving handicapped children. Thus, SEAs were at a disadvantage in resolving the difficult governance questions which arose when multiple agencies worked together. In many states, action by the Governor's office, the state legislature, or an interagency decision-making body was necessary to settle disputes arising between the SEA and other agencies. Particularly as the SEA tried to coordinate policy and service delivery "vertically" (i.e., between different levels of government) as well as "horizontally" (within one level of government), attempts to coordinate services were often thwarted.

As SEA officials became more accustomed to the complexities of interagency activities, they began to see that "interagency collaboration" was in reality a multi-dimensional process. Careful attention had to be given to a number of factors if productive action was to result. These factors include:

- *Sources of financing*. The categorical nature of funding for handicapped children's services inhibits collaboration. Limitations on each fund source often prevent flexible use of the funds for interagency efforts.

- *Professional identification*. Each of the many professional groups which serve handicapped children has a vested interest in the scope and structure of the services they provide. While professionals may seem willing to cooperate with one another, they frequently resent what they consider an "intrusion" into their own professional turf by another professional group.

- *Problem Definition and Classification*. Diagnostic classifications usually influence the kinds of services recommended in a treatment plan. Yet, each of the human service systems serving handicapped children has its own traditions, philosophy, and conceptual approach to identification and placement, and these can inhibit coordinated service delivery.

- *Multiple constituencies*. While an agency's constituency can be its most critical ally in fighting for legislation or defending budget allocations, constituency groups often can block interagency efforts when they fear these will dilute a favored agency's autonomy or influence.

- Administrative structure. The bureaucratic imperatives of separate agencies may bar collaboration on programmatic efforts.

All of these dimensions of interagency activities must be negotiated successfully if collaboration is to result in lasting improvement in services. Despite the difficulties, however, SEAs have been able to implement a wide range of strategies which achieve this goal.

II. EFFECTIVE APPROACHES TO STATE-LEVEL INTERAGENCY COLLABORATION

In launching interagency efforts, SEAs usually have focused on one of four major goals, as set forth below.

A. Clarifying Responsibilities for Handicapped Students in State-Operated Residential Programs

Diverse agencies -- e.g., divisions of mental health and mental retardation, departments of public welfare, state departments of corrections -- administer state institutions which serve handicapped students. SEAs have had to establish policies to ensure that these agencies' programs comply with P.L. 94-142, and this has entailed clarifying the responsibilities of both the SEA and of the administering agency.

Several states have used interagency agreements as the method for specifying these interagency responsibilities.

> The Louisiana Department of Education entered into agreements with the State Offices of Mental Health and Mental Retardation to define financial responsi-

> bilities for children in those agencies' institutions. As a result, education pays only for education and related service costs not part of routine care. As a by-product of the collaboration expressed in these agreements, the State Budget Office also arranged a transfer of Medicaid dollars from the Office of Mental Retardation to a special school district to pay for related services for retarded children in state institutions, thereby increasing federal funding for these children.

Louisiana's agreements represented more than just a paper agreement among agency staff; they were one part of a collaborative, problem-solving process. This was also the case in a second SEA using an interagency agreement to resolve issues related to state institutions:

> The Delaware Department of Public Instruction entered into an agreement with the State Department of Health and Social Services and the Department of Corrections to clarify responsibilities for related services in these agencies' institutions. The agreement created a funding pool with contributions from all three agencies in order to pay for related services. These funds were used to establish a new state office with two full-time staff who are responsible for developing a plan to deliver education and related services to all handicapped children under the jurisdiction of these departments.

Delaware officials have found the follow-up capacity of this new office especially effective in implementing the goals established in the interagency agreement.

Several states have used interagency committees as the vehicle for clarifying responsibilities related to institutionalized handicapped children. While the committee structure seems ideal for interagency collaboration -- i.e., it brings all relevant actors into the same room -- committees actually exhibit a mixed track record in resolving difficult interagency issues.

The state of Maine provides an example of an effective interagency committee.

> The Maine Interdepartmental Committee (IDC) was formed to devise a coordinated interagency system to support all children living in residential and group care facilities. It grew from legislation requiring the Departments of Human Services, Mental Health and Mental Retardation, Corrections, and, later, Educational and Cultural Services to develop coordinated policies for children and family services. IDC's accomplishments include setting uniform rates among facilities and allocating fiscal responsibilities for these facilities among the four agencies.

Because IDC's activities extend beyond handicapped students, its policies integrate special education concerns with general educational and human service concerns. IDC's other strengths have included its legislative backing, a multi-level decisionmaking structure, and strong support staff.

Another example of an effective committee can be seen in New Jersey.

> New Jersey's Interdepartmental Committee for Education of the Handicapped has clarified the service delivery responsibilities among state agencies. The Committee has broad membership which allows it to carry out its dual mandate of (1) coordinating the provision of education and related services among all state agencies and (2) ensuring that all state agencies comply with P.L. 94-142. The Committee has focussed on defining the service responsibilities of agencies administering residential facilities, with the understanding that financial responsibilities accompany the mandate for service delivery.

B. State Efforts to Promote Local Interagency Collaboration for Specific Target Population Groups

While many SEAs have developed state level agreements with other agencies, such agreements have little impact if they are not accompanied by follow-up at the local level. Many of the most successful efforts in which SEAs have promoted local collaboration have been on behalf of specific target populations, such as older handicapped children or seriously emotionally disturbed children. SEAs have used a variety of strategies to initiate these efforts.

> The Special Education Division of Michigan's Department of Education, working with the Vocational Education Division of the same Department and the State Division of Rehabilitation Services, has developed policies to facilitate and stimulate improved secondary level vocational services. An interagency agreement developed at the state level outlines a general delivery system which LEAs can adapt to local conditions. After resolving the major impediments to collaboration at the state level, staff of the three agencies provided intensive technical assistance to LEAs, as well as conducting joint in-service training to staff of all the agencies.

Michigan's state level agreement was just one part of a collaborative process among agency staff which continued over several years. Despite budget cutbacks and shrinking resources, the continuing state-level commitment to this interagency effort eventually led many LEAs to initiate joint local programs for vocational services.

Other states have concluded that an effective way to promote local interagency collaboration is to offer LEAs direct fiscal incentives. Two states illustrate the way this can be done:

> Rhode Island's SEA used part of its P.L. 94-142 set-aside funds to issue an RFP soliciting joint proposals between LEAs and Community Mental Health Centers (CHMC's) for services to severely handicapped students with behavioral disorders. The SEA funded three localities in which services were expanded and a plan for treating severely handicapped children was subsequently advanced.
>
> The Massachusetts SEA issued an RFP solicting joint Special Education/Vocational Education programs from LEAs. After competitive proposals were submitted, forty-six awards were made. Local agencies accepting the funds agreed that local special education and vocational education monies would be used in addition to state seed money, and that local support eventually would replace start-up funds.

Both of these SEAs' efforts illustrate some of the advantages of using an RFP strategy. It recognizes that local conditions vary greatly and encourages LEAs to design programs adapted to these conditions. The RFP/incentive approach also helps only those LEAs that desire interagency programming and does not force them to initiate policies or programs for which they are not ready. Finally, it makes effective use of SEA discretionary funds to promote expanded services at the local level.

C. Establishing General State Policy with Regard to Service Delivery and Financial Responsibilities Among Agencies

In many states, interagency activities have been directed to one specific goal or have involved work between the SEA and one other agency. However, several states have attempted to make interagency collaboration a more general practice in planning service delivery and financial responsibilities among state agencies.

An interesting approach to this goal can be seen in California.

> In 1980, the California legislature passed two laws which required (1) the development of written interagency agreements to assign fiscal responsibilities for providing special education and related services, and (2) a plan to identify and waive, as necessary, all legislative obstacles to interagency collaboration. These laws reflected legislators' belief that previous interagency agreements had not been sufficiently specific about agencies' financial responsibilities, nor had they guaranteed the most efficient use of federal and state funds. The laws allowed intervention by a higher unit of the state government if agreements among state agencies were in dispute.

In theory, such legislation provides a strong and explicit mandate for collaboration among state agencies, but in practice it does not necessarily resolve all difficulties. Without intensive follow-up action, which has not yet materialized in California, SEAs still must take upon themselves the task of building interagency relationships.

Activities in Maryland illustrate a second approach to achieving general interagency collaboration.

> Maryland has established a State Coordinating Committee on Services to Handicapped Children (SCC), which has examined service delivery and financing issues for handicapped children in residential facilities. In addition, the SEA established a system of local, regional, and state committees in which multiple agencies work together to resolve placement issues for specific children. For the future, Maryland has planned a system which calls for case management and a common funding pool to be used for children whose needs reach across agency boundaries.

Together, these activities represent a more comprehensive approach to interagency planning and service delivery than has been the case in most states.

Similarly, Colorado has undertaken multiple interagency activities to improve services for handicapped children in residential and community placements.

> The Colorado Department of Education entered into an agreement with the Department of Social Services to establish joint placement, funding, and monitoring procedures for handicapped children placed in residential facilities. At the same time, the Colorado legislature enacted a law that enabled counties to reallocate funds previously used for children's residential placements, to develop service alternatives allowing children to remain in their own homes. Counties created local interagency committees (known as Placement Alternative Commissions) to develop these local programs.

Colorado's interagency activities extended beyond just the needs of handicapped children but, in so doing, improved service delivery for handicapped children as well.

D. Information Sharing Among Agencies

The state of Utah has taken an unusual approach to the problem which all states face of adequately sharing information among state agencies.

> Utah is planning an integrated information system common to all agencies serving handicapped children. While still in a developmental stage, the plan calls for a computerized system which will include data from, and remain accessible to, each of the participating agencies, which include the Departments of Education, Social Services, and Health.

When complete, the system will provide state-wide data on services provided to handicapped children and will assist agencies in making referral, placement, and programming decisions. The data available from the system should also give agencies a new basis for allocating funds and planning future programs.

III. COMMON FACTORS CONTRIBUTING TO THE EFFECTIVENESS OF INTERAGENCY COLLABORATION STRATEGIES

Based on SEA experiences, the following factors emerge as among the msot important for achieving effective interagency collaboration.

- Involvement of a higher unit of state government in order to reduce and resolve policy disputes.
- Use of an on-going process of collaboration rather than a one-time action or agreement.
- Allocation and continued commitment of agency resources to the process of interagency collaboration in order to assure follow-through at the state and local level.
- Provision of strong leadership, either by the SEA or another unit of state government, with clear enunciation of goals and a plan for achieving them.
- Matching of the interagency mechanism to desired goals. Interagency committees seem best suited for communication, problem solving, and information sharing. Interagency agreements (with follow-through and enforcement) seem particularly effective in assigning service delivery and financial responsibilities.
- Appreciation of the informal dimensions of interagency collaboration.
- Attention to local follow-through so that counterpart local agencies understand and can implement state-level agreements.

INTRODUCTION

Long before passage of P.L. 94-142, effective provision of special education services required collaboration between education agencies and other human service providers. Because the needs of handicapped children are diverse, state and local education agencies (SEAs and LEAs) have always established ties with other community agencies that could provide necessary health, social, and residential care services.

However, following P.L. 94-142's enactment, the "interagency dimension" of special education took on a new importance. The federal law's mandate changed schools' relationships with human service providers. Not only were LEAs (and SEAs) forced to interact with an expanded range of agencies, but the nature of this interaction was altered. Informal collaboration, sufficient in the past, gave way to new, more formal procedures. Tough negotiations over interagency jurisdiction, financing, and service delivery replaced previous discussions about specific services for specific children.

At first, education officials approached the issue of interagency collaboration enthusiastically and optimistically. Immediately after P.L.94-142's passage, a flurry of new activities were begun: state interagency agreements and local interagency committees proliferated. SEAs, LEAs, and other human service agencies looked forward to the prospect of collaboration and held high hopes for the expanded service systems that would result from their efforts.

As time passed, however, interagency efforts came to be viewed with considerably more skepticism. Too often, interagency agreements failed to produce any change in patterns of service delivery. Interagency committees consumed staff time, but only rarely led to the rapid improvement in, or expansion of, services that had been envisioned. Regardless of the good will existing among participants, too many of these fledging interagency efforts proceeded slowly and produced little impact on the educational opportunities for handicapped children. As the formidable barriers to effective interagency collaboration became clear, many SEA and LEA officials perceived such efforts with cynicism and even distrust.

Yet the need for education agencies to cooperate with human service agencies in order to, first, comply with P.L. 94-142, and second, provide full educational opportunities for handicapped children has not diminished. Although the task has proved tougher than anticipated, SEAs and LEAs have begun renewed efforts to make interagency collaboration work. In many ways, these current efforts are more realistic than past attempts: they recognize that interagency collaboration is a means to an end, a strategy that may be appropriate for solving some problems, but not others.

This report analyzes and documents a number of current state-level interagency efforts designed to improve special education services. The report is organized into two major sections. The first describes the P.L. 94-142 mandate that has led SEAs and LEAs to develop interagency activities. This section also sets forth a perspective on interagency collaboration which underlies many of the more successful of these efforts. The second identifies and discusses a number of on-going SEA activities that are demonstrating that interagency collaboration, when carefully and skillfully executed, can produce benefits for the education of handicapped children.

I. THE P.L. 94-142 MANDATE AND AN INTERAGENCY PERSPECTIVE ON SPECIAL EDUCATION SERVICES

A. The Interagency Dimensions of the P.L. 94-142 Mandate

P.L. 94-142 created the need for interagency efforts through several of its most important provisions. First, at the state level, the requirement that the SEA act as the single state agency responsible for assuring the provision of special education and related services to all handicapped children in the state had profound implications for the SEA's role within state government. The "general supervision" responsibility of the SEA, as this provision came to be known, required the special education division of the SEA to wield authority over state agencies whose budgets, staff, and, often, influence were far greater than its own. For example, state-operated institutions had long provided some educational services to handicapped children under the auspices of many different agencies. Under P.L. 94-142, the SEA must ensure that all institutionally-based education programs met the federal law's standards -- requiring major departures from established practice in most states.

Second, the requirement that education agencies assure the availability of related services when these are necessary for a handicapped child to benefit from a free appropriate public education also gave SEAs new responsibilities. Many of the related services specified in the federal law, as well as others that states chose to make available, had traditionally been provided by, not education agencies, but other human service agencies. To assure that these services were available when appropriate, SEAs have had to either (1) encourage school districts to provide these services directly, thereby incurring additional costs and perhaps duplicating existing service delivery systems, or (2) negotiate access to services offered by other human service systems. While both of these courses of action have advantages and disadvantages (see Volume II: Effective Policies in the Provision of Related Services), each requires that SEAs establish policies defining educational agencies' responsibilities in relation to those of other human service providers.

P.L. 94-142 assigned these major new responsibilities to a unit of state government which traditionally was neither large nor powerful. Within the organizational structure of most states, divisions of special education had neither the resources, the visibility, nor the authority which had accrued to the mental health, and mental retardation/developmental disability divisions, or even to other, more prominent, divisions within state education agencies, such as vocational education units. Nevertheless, P.L. 94-142 and its companion state statutes required that special education units negotiate on equal footing with all of these larger and more powerful state agencies. Moreover, the special education unit was expected to both exercise leadership and provide policy direction for other agencies' programs.

As was soon apparent in many states, this new allocation of responsibilities triggered governance questions that could not always be resolved among the state agencies directly involved in service delivery. Ultimately, resolving these questions demanded participation by other decision-making units within state government. For example, involvement of the Governor's office was necessary in some states; in others, state legislatures, budget bureaus, or interagency decision-making bodies had to assist in policy development. In effect, SEAs' new responsibilities had a "ripple" effect that eventually touched all branches of state government with direct or indirect jurisdiction over services to handicapped children.

At the local level, interagency issues posed by P.L. 94-142 have proven no less demanding. In particular, the related services mandate has affected local interagency efforts. While some LEAs or Intermediate Education Units (IEUs) can provide all necessary services themselves, most must look to other agencies to supplement the services that can be made available directly through the school district. Because the related services mandate includes services which most school districts historically have not provided, LEAs have had to maintain contact with a wider range of service providers than in the past.

The least restrictive environment (LRE) provisions of the federal law have also encouraged LEAs to jointly work with other agencies to provide related services. P.L. 94-142 mandates that handicapped children must be educated, insofar as possible, with non-handicapped children. Except in very large or wealthy districts, LEAs have had to work closely with other agencies to develop the comprehensive programs necessary to implement this provision, particularly with regard to serving severely handicapped children. Districts have sought to build relationships with those agencies that offer complementary serivces and thus can assist in maintaining a child in his or her own home.

P.L. 94-142's effect on interagency relationships is complicated further by the need to coordinate service finance and delivery between levels of government. Agency interaction occurs both "horizontally," i.e., within one level of government, and "vertically," between different levels of government, thus moving down from the federal to state governments, and to local governments, and back again. The problems of coordinating policy and service delivery among these three levels -- each with its own jurisdictions, legislative authorities, and provider agencies -- have thwarted attempts at service integration in many fields of human services, not only in special education.

Implementing the P.L. 94-142 mandate has been difficult even within the confines of the education system. The historical autonomy of local school districts has led to extreme diversity at the local level, and the uneven distribution of power among federal, state, and local education agencies has prevented the development of both uniform approaches to problems and uniform standards for educational quality. But when the intergovernmental complexities of other service systems are added, the potential problems multiply exponentially. Solving these problems has required a new perspective on interagency relationships, one which recognizes that they are multi-dimensional in nature.

B. A Perspective on Interagency Relationships

Shortly after P.L. 94-142's passage, the term "interagency collaboration" became pervasive in special education terminology, serving as shorthand for the systematic and productive interactions which education agencies had to establish with other human service providers. However, like most code words, this one proved both too general and too narrow to convey adequately the full range of issues raised by such efforts. On the one hand, this term is too general because it is used to describe everything from merely *pro-forma* approval of one agency's plans by another, to a full, cooperative endeavor in which two or more agencies jointly plan, finance, deliver, and evaluate services. At the same time, the term has been construed too narrrowly. The phenomenon that it seeks to describe -- the integration of service around the needs of a handicapped child -- can involve a process far more complex than is implied by mere "interagency" collaboration. Thus, a useful first step in examining effective policies is to establish a perspective on the interagency dimension of special education -- a perspective used, not only in this report, but in all the reports of this project.

In analyzing the interagency dimension of handicapped children's services, we found it helpful to look beyond just the bureaucratic aspects of interagency collaboration. At issue in any interagency effort are a broader range of factors. These are discussed in the remainder of this section and include:

- Sources of Financing;
- Professional Identification;
- Problem Definition and Classification;
- Multiple Constituencies; and
- Administrative Structures.

Sources of Financing. Financing issues are often at the heart of interagency efforts to collaborate, because the categorical nature of service funding probably shapes the patterns of service delivery more than any other single factor. Decisions on financing mechanisms are key to reshaping service systems: control over dollars generally results in control over service delivery.

Because money has been allocated for discrete areas of service -- i.e., for mental health services, for retardation services, for health care services -- service delivery systems have been organized around these funding streams, each of which has its own eligibility requirements, provider networks, and perceptions of the primary needs of its clients. Table 1 in Appendix L shows the multiple federal financing sources that fund services for handicapped children. Those sources reflect not only differing legislative purposes, but also the multiple federal and state agencies that are involved in providing services. Over time, these varied funding sources have built up their own inflexibilities -- the so-called "hardening of the categories" -- and have proven extremely difficult to coordinate, particularly at the local level where any legislative and regulatory discretion may have been lost.

Professional Identification. The number of different professions involved in serving handicapped children also can promote or impede interagency collaboration efforts. Because of the multiple needs of many handicapped children, an unusually wide range of professionals may be involved in their care. While physicians, social workers, physical and occupational therapists, speech therapists, audiologists, psychologists, and special educators all serve children differently, each group has a vested interest in the scope and structure of the services it provides. Although the interdependence of these professional fields is well-established, -- i.e., no one professional group can meet all the needs of handicapped children -- it remains true that each profession will defend its prerogatives and decision-making authority. Thus, while professionals may seem willing to collaborate, they also may resent what they consider an "intrusion" into their professional arena.

Problem Definition and Classification. Related to the issue of professional identification is problem identification and classification. Each of the various professions and agencies that deals with handicapped children has developed its own traditions, philosophy, and conceptual approach to both defining and classifying children's problems and organizing and providing services. Thus, the child who is classified as severely retarded by the education system can be considered a juvenile delinquent by the corrections system and/or hyperactive by the medical establishment. Furthermore, diagnostic classification often determines the kinds of services recommended in a treatment plan and may be a factor in determining eligibility for services. These different classification schemes also are evident in different, co-existing -- and often competing -- service models. For example, a medical model is used by some service systems, a rehabilitative model by others, and an educational model by still others. Eligibility for service often depends on being classified in a way which fits the model or service program in question. Initial classification directly and substantially affects how handicapped children and their families are treated by the multiple systems -- and the differences in classifications can be a significant barrier to interagency programming.

Multiple Constituencies. The multiple and specialized constituencies that have developed around different services for handicapped children can be a further impediment to providing coordinated services. These constituencies may consist of clients themselves, parents and relatives of handicapped children, or advocates with a particular interest in a field of handicapped children's policy and services. While an agency's constituency can be its most critical ally in fighting for legislation or defending budget allocations, constituency groups often can block interagency efforts when they fear that these will dilute a favored agency's autonomy or influence. Different constituency groups often work at cross purposes by guarding against any activity that undermines their favorite agency or funding source -- even when such activities may result in improved services from a broader perspective. Thus, constituents' and advocates' activity are double-edged: they can both help and hurt agencies' attempts to amalgamate resources.

Administrative Structure. Agencies' administrative structures -- that is, the way in which they are organized to provide services -- are a final factor that affects interagency efforts. Each categorical program has its own rules and regulations, and the corresponding structure with which it provides benefits and services is unique. For example, different agencies maintain different licensing and certification standards which require compliance with personnel and programmatic policies and facility standards. Just trying to ensure that cooperative programs comply with all of these simultaneously has, in some instances, been sufficient to block interagency effectiveness.

Taken together, these factors reflect the full complexity of the services provided to handicapped children.

In addition to these general problems, specific interagency problems have recurred in implementing P.L. 94-142. These include:

- The mandates of other human service agencies allow them significantly more discretion than the mandate of P.L. 94-142 gives to SEAs and LEAs. Whereas other human service agencies can choose which children they want to serve, and can cease providing services when resources are low, SEAs and LEAs cannot. Special education administrators cite this disparity in mandates as the most powerful inhibitor of productive relationships with other agencies.

- Services to handicapped children are provided under different fee schedule rules. While special education services must be provided at no cost, other health and social services are available only to children whose families fall below a defined income level. Still other services charge a fee-for-service based on ability to pay. These differences make it difficult for LEAs to refer families to other agencies without violating the requirements of P.L. 94-142.

- Agencies with complementary responsibility for handicapped children may have differing service plan requirements. For example, a vocational rehabilitation agency requires an Individual Written Rehabilitation Plan (IWRP); special education requires and Individualized Education Plan (IEP); and Vocational Education requires an Individual Service Plan (ISP). Maintaining three separate plans for children served by all three agencies is needlessly duplicative and impedes program integration. Attempts to develop a single planning document have been stymied by the inability to successfully integrate varying program and agency requirements.

- Agency policies about confidentiality of information may block joint service delivery. Mental health agencies often maintain the most stringent confidentiality rules, and are often unwilling to share information even when safeguards are in place. Without this information sharing, joint service delivery is difficult.

Finally, perhaps the most serious impediment to interagency collaboration that special education administrators have identified is the nature of the P.L. 94-142 mandate itself. Ironically, the law -- which virtually requires interagency collaboration for its successful implementation -- at the same time creates incentives against collaboration.

This phenomenon can be better understood if we assume two broad models of collaboration. In the first case, collaboration is based on equal status and participation. Agencies consider themselves equal partners and view collaboration as the only way to achieve the desired goal of full educational opportunity for handicapped children. Participating agencies attempt to bring their resources and services together to achieve results that no one agency could achieve on its own.

In the second case, collaboration is based on inequality. One agency has the most extensive mandate to achieve a goal, but needs other agencies' assistance to assemble the necessary resources. This is often the circumstance for special education agencies under P.L. 94-142. SEAs and LEAs must ensure provision of special education as well as necessary related services, whether other agencies participate or not. Collaboration can be urged, but ultimately, other agencies can point to the special education mandate and rightfully note that SEAs and LEAs must fulfill these responsibilities. Under these conditions, collaboration can be significantly more difficult to achieve because of the altered incentives for collaboration. Instead of perceiving each agency's participation as essential to achieve the common goal, agency participation is seen as optional. Only one agency, the special education program, must ultimately ensure the provision of all necessary services, even if it has to do so on its own.

These two models are not theoretical. At both the state and local levels, human service agencies have adopted one or the other. For example, in many communities the presence of the P.L. 94-142 mandate seems not to have disrupted agencies working together; in fact, P.L. 94-142's higher standard of educational opportunity has spurred agencies on to more systematic and more carefully-planned coordination. In other communities and in other states, where the second strategy is evident, education agencies have been left alone with the P.L. 94-142 mandate to finance fully its implementation. In the latter instances, some education officials have charged that human service agencies are cutting back on services to handicapped children, relying on special education programs to replace any services so withdrawn.

The persistence of problems in achieving interagency collaboration has led special education administrators to feel both frustrated and skeptical about continuing to pursue these efforts. To some, the net effect of all their attempts at collaboration has been to "conquer and divide, with occasional non-aggression pacts thrown in," as one special education administrator put it. Still another observes, "We have great skepticism about the interagency efforts now, particularly the formal kind. We are not starting any big efforts again; instead we're letting natural working relationships become established and see where they lead." The most negative assessment comes from a special education director in a state that initially made extensive efforts toward interagency financing and programming: "After all these years, there is nothing to show for it."

In an era of diminishing resources for all human services, this view of interagency work threatens to become pervasive. It is not yet apparent what effect budget cuts will have on interagency efforts. Some analysts argue that fiscal reductions will only make collaboration more difficult. As resources diminish, agencies will defend their turf more steadfastly and resist any efforts to divert resources for interagency purposes. Others contend that across-the-board resource reductions will necessitate interdependence among agencies. Only by pursuing the cost savings and program efficiencies possible through collaboration will agencies be able to maintain an acceptable level of services.

Despite the generally primitive state-of-the art of interagency collaboration, some state and local education agencies have been able to develop and implement successful joint ventures providing special education and related services to handicapped students. The examples of such policies and programs documented in the next section of this report and in the other three volumes produced by the project indicate that there is a wide range of strategies which can effectively promote interagency cooperation on behalf of handicapped students.

The remainder of this chapter summarizes state level strategies for interagency collaboration and the major lessons that can be gleaned from them.

II. EFFECTIVE APPROACHES TO STATE-LEVEL INTERAGENCY COLLABORATION

Interagency strategies at the state level usually have focused on one or more of four major problems which SEAs encounter in trying to implement P.L. 94-142. These include the need to (1) clarify responsibilities for handicapped students in state-operated and private residential programs; (2) coordinate several agencies' resources on behalf of specific target populations; (3) assign financial and service delivery responsibilities among agencies; and (4) share information. Alternative approaches to solving each of these problems are discussed below.

A. Clarifying Responsibilitites for Handicapped Students in State-Operated and Private Residential Programs

In almost all states, some handicapped students are served by a state agency other than the SEA. Possible service providers include the following programs:

- The mental health agency, which may be an independent agency or part of a larger state department, generally operates residential facilities that provide clincial treatment, education, and room and board for emotionally disturbed children.
- A division of mental retardation or developmental disabilities usually finances institutions and community-based programs for mentally retarded persons, particularly those who are severely and profoundly retarded. In most cases, these include separate facilities for children and adults, as well as day and residential programs.
- A state department of public welfare, or a state children's agency, generally runs residential facilities for dependent and neglected children, including those without parents or whose parents are unable to

care for them at home. Care for these children may be in foster care or residential institutions. While many of these children attend regular public school, others do not.

- The state department of corrections administers correctional facilities for youth who are in trouble with the law. These facilities are usually locked residential facilities serving children age 12-21.

In addition, handicapped students also can be placed in private residential facilities or group care homes, sometimes by another state agency.

Regardless of which agency is the primary care provider, the SEA's task is to ensure that these children receive a free appropriate public education. To accomplish this task, SEAs must develop new monitoring standards that ensure that the facility's educational programming meets handicapped students' needs. SEA's also must address the question of which agency pays for which services provided in the institutional setting, a question that has provoked considerable debate, and even heated arguments, in many states.

In order to establish policies that address these issues, many states developed interagency mechanisms that attempted to clarify roles and responsibilities among agencies. The two most common mechanisms used for this purpose were interagency agreements and interagency committees.

Interagency agreements were developed by many states in an effort to assign service delivery and financial responsibilities among one or more state agencies serving handicapped children. However, the history of interagency agreements reveals their limitations. In many cases, agreements had little substance and were generally disregarded, even by participating agencies who viewed them simply as "agreements to agree," i.e., little more than expressions of an agency's good intentions. Once signed, these agreements tended to have minimal effect on agency operations. In fact, many were developed primarily to achieve paper compliance with P.L. 94-142's provisions by demonstrating that accountability existed between the SEA and the other state agency with jurisdiction for some sub-group of handicapped children.

As an exception to this general situation, this project encountered interagency agreements which had been effective in allocating responsibilities among agencies. These agreements often were the product of a "second wave" of activity undertaken by SEA staff who recognized the inadequacies of standard agreements, yet still believed that a carefully constructed agreement could contribute to meaningful cooperation. Typically, these agreements were elements of a broader process which involved inter- and intra-agency activities. Described below are several of the more effective state interagency agreements that were designed to establish policies for children being educated in state-operated and private residential programs.

Louisiana's agreement between its SEA and Office of Mental Health, and its SEA and the Office of Mental Retardation deals with agency responsiblities for students served in public and private institutions.

> The Louisiana SEA's agreement with the Office of Mental Health stipulated that the Mental Health agency would pay for all treatment and care costs for students in state-operated mental health institutions while education would pay for education and related services not part of routine treatment and care. A similar agreement was developed with the Office of Mental Retardation for children cared for in their facilities. Finally, a third agreement assigned to mental health agencies the costs of all services identified in the mental health treatment plan for students placed by the mental health agency in private mental health residential facilities. Education pays for all other services identified in the IEP. Thus, a series of agreements were developed to address progressively more difficult issues associated with institutionalized handicapped students.
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> These agreements were intended to reduce service duplication among state agencies and clarify their respective roles so that handicapped students would be better served and agency efficacy maximized. As a side effect of these agreements, the State Budget Office requested the Office of Mental Retardation to give $1 million of its Medicaid funds to the education agency to help pay for mentally retarded children in state institutions. Since Medicaid is a federal-state matching program, using these dollars for handicapped children resulted in increased federal spending on their behalf. (See Appendix A for a more detailed description.)

Louisiana's interagency agreements seemed to have clarified service delivery and financial responsibilities between the SEA and the Office of Mental Health and between the SEA and the Office of Mental Retardation. By explicitly defining which agency must pay for which services, the three agencies are better able to plan ahead and budget for services. Moreover, because two agencies are no longer providing the same services to the same children, each agency can refocus its efforts on expanded services that do not duplicate those provided by another agency.

The process by which Louisiana's agreements were developed was designed to ensure that the assigned responsibilities reflected an understanding of the particular perspectives and limitations of each agency. SEA staff responsible for drafting the agreements were physically housed for one year in the Department of Health and Human Resources (the "umbrella" agency for Mental Health and Mental Retardation). Because of this, familiarity and trust were increased for both agencies. This procedure also insured that the resulting agreement would be translated into operational policy rather than remain merely an expression of good will. Even after the agreements were signed, SEA staff placed in the other department stayed on as liaisons. Louisiana's efforts thus reflect more than a pro forma agreement; they involve an ongoing commitment between agencies, a commitment that is evidenced by shared agency staff.

Delaware has also developed an interagency agreement that assigns responsibilities for handicapped children in state-operated programs to multiple agencies.

> Delaware's agreement worked out the financial and service delivery responsibilities among the SEA, the Department of Health and Social Services, and the Department of Corrections for related services provided to handicapped children residing in mental health and correctional facilities. This agreement created a funding pool made up of contributions from all three agencies. The Department of Corrections was able to redirect related service funds to increase psychiatric services to handicapped children in correctional facilities, while funds from the SEA, the Department of Health and Social Services, and the Department of Corrections are used for all other related services.

> The Delaware agreement establishes an office with two full-time staff and a secretary with responsibility for developing an administrative design to deliver special education and related services to all handicapped children under the jurisdiction of these departments. Thus, the agreement is not intended to achieve a one-time solution to these three agencies' policy problems, but rather to put into place a process and the resources needed to resolve problems over time. After an initial period of federal funding, participating agencies now share the costs of the office. (See Appendix B for a more detailed discussion.)

Delaware's interagency agreement among three departments provides one of the clearest examples of an ongoing process whose goal is to assure that handicapped students are served appropriately by any or all of the three state agencies. While the agreement was developed to sort out agency responsibilities and resolve interagency disputes, it is the follow-through capacity of the Office of State Interagency Education Administrative Agreement that is responsible for ensuring that the agreement's provisions are carried out.

Delaware officials found this arrangement to be the most effective way to promote change. Although they had earlier tried to accomplish the same objectives through interagency committees, they found the committee's recommendations difficult to implement because these often called for unrealistic change. By agreeing on financial responsibilities and committing state agency resources to a permanent office with staff capable of resolving disputes and lending technical assistance to local institutions and agencies, the three participating agencies have produced workable technical and financial arrangements for serving handicapped students in state-operated programs.

Many other effective state interagency agreements assign financial and service delivery responsibilities among agencies. (Some of these are described in Volume 2 of this series, Effective Policies in the Provision of Related Services.) In addition to interagency agreements, several states have used interagency committees to assign responsibilities for children served in state-operated programs or in other residential facilities.

In theory, a committee structure seems ideal for the goal of allocating responsibilities: it brings all relevant actors into the same room and provides a forum whereby individuals can negotiate their respective duties and address problems they may be able to resolve. When operating effectively, a committee tends to build consensus and, in the highly politicized world of state government, can serve as a vehicle for joint decision-making. However, in reality, committees exhibit a mixed track record in resolving questions of agency jurisdiction. Many states have found that their committees have built-in limitations which, whether recognized or not, can reduce their effectiveness.

Interagency committees tend to be similiar in their goals and structures. For example, most of the interagency committees that were developed to clarify agency responsibilities define their mission in relationship to P.L. 94-142 and either received their impetus from, or were revitalized by, the passage of this legislation. Most committees have also adopted similar patterns of membership. They usually include representatives from their states' special education unit, as well as from their state agencies for mental health and retardation or developmental disability services. Many also include representatives from the state health department and/or the state agency for human services (often called the state social service agency). Beyond these core agency memberships, some committees include representatives from the state child welfare agency (if not otherwise represented as part of the human services agency) and the department responsible for youth corrections.

Maine is one of the states that effectively used the committee approach to address agency responsibilities:

> The Maine Interdepartmental Committee (IDC) was formed in 1978 to devise a coordinated interagency system to support all children living in residential and group care facilities. The Committee grew out of state legislation requiring the Department of Human Services, the Department of Mental Health and Mental Retardation, the Department of Corrections, and, later the Department of Educational and Cultural Services to develop long-term coordinated policies concerning children and family services.
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> The Committee's first task was to coordinate residential child care for all children served by a state agency. They developed a coordinated system for reviewing funding applications from residential and group care facilities, set uniform rates and then created a formula for allocating fiscal responsibilities for these facilities among the four agencies.
>
> For children who are wards of the state, the Department of Human Services pays all board and care and treatment costs of residential placements and the SEA pays all special education costs. For non-state wards, the Department of Mental Health and Mental Retardation pays for all treatment costs, while the

education agency pays for board and care and special education services. The Committee was able to spread these costs across the functional areas of board and care, treatment, and special education and establish uniform rates for all departments. (See Appendix C for a more detailed description.)

The activities of Maine's Interdepartmental Committee extend beyond handicapped students. IDC has the more broadly defined mission of coordinating services for all children in residential facilities. Thus, agencies' fiscal responsibilities extend to, not only handicapped students served in a residential facility, but any child so placed. In this sense, Maine's committee integrates special education concerns with general education and human service concerns. Thus, its policies are probably more secure and more likely to be enforced than if they only pertained to handicapped students.

Another reason that Maine's IDC has been successful in allocating fiscal responsibilities among agencies is its legislative origins. The fact that the state legislature required three state agencies to develop a coordinated system of care lent credibility to the effort. In addition, the Committee also received support from two successive governors. This support from a higher unit of state government generally helps provide the "clout" needed to assign fiscal responsibilities among agencies.

Another factor that has helped ensure that fiscal allocations and other policy decisions are carried out has been the IDC's structure. This includes a four-tiered hierarchy that starts with mid-level working committees and ends with the four Commissioners, thereby assuring that the Committee's deliberations are both grounded in operational knowledge and supported by leaders.

As is the case with other effective committees, the IDC's success reflects a support staff capable of undertaking the necessary work. Maine's IDC staff is comprised of three full-time members, all hired by the Committee, and salaried on a rotating basis by participating agencies. The availability of this staff is essential to this, and any, committee's progress.

An important characteristic of Maine's IDC, one that it shares with other effective interagency committees, is that the committee has not been static. As with any membership group, its purposes and methods have changed over time as members perceive new and more effective operating methods. At the same time, Maine's committee, like other effective ones, appears to have stablized its position within the state government, becoming an integral and accepted part of the governing process. Thus, due to its extensive operating responsibilities, Maine's committee seems to function almost like a separate agency within the state government.

Another example of an interagency committee that has been effective in clarifying agency roles is New Jersey's Interdepartment Committee for Education of the Handicapped:

> New Jersey's Interdepartment Committee for Education of the Handicapped was established in 1978 to coordinate the provision of education and related services among agencies and to ensure that all state agencies serving handicapped children comply with P.L. 94-142. The committee is made up of the Directors of the Division of Special Education and the Division of Vocational Education from the Department of Education. The Assistant Commissioners from the Departments of Corrections, Health, Human Services, and Labor and Industry appoint representatives from their respective bureaus and offices. The Executive Director of Head Start and the Assistant Director from the Office of Community Affairs and the Governor's Development Disabilitites Council also participate.
>
> The Interdepartment Committee has clarified responsibilities for handicapped children among participating agencies. It began by identifying functions common to all agencies and then proceeded to assign specific responsibilities to individual agencies. The Committee grew out of a recognition that because multiple state agencies could be involved in caring for handicapped children, interagency planning was necessary. The potential overlapping of service jurisdictions and the lack of clarity about financial responsibilities was apparent. The SEA knew that an interagency approach was needed to ensure appropriate services for children residing in private facilities as well as for those children served by other state-operated programs such as correctional or mental health facilities. Although the Committee has not specifically assigned financial responsibilities among agencies, it is understood that financial responsibilities accompany the service delivery responsibilities which have been spelled out. (See Appendix D for a more detailed description.)

New Jersey's Interdepartment Committee successfully divided service delivery responsibilities among agencies in response to P.L. 94-142. Unlike Maine's Committee which received its impetus from state legislation, New Jersey's was created by the SEA, in direct response to the federal law. Also in contrast to Maine's interagency committee, the New Jersey Committee chose to focus its work on handicapped children, rather than expand to other related areas. This focus has enabled it to accomplish the specific task of assigning service delivery responsibilities among agencies.

B. State Efforts to Promote Local Interagency Collaboration for Specific Target Population Groups

Even when state agencies reach consensus on service delivery and financing parameters, they must then work to ensure that such arrangements are translated into local level operations. While many SEAs have developed state level agreements with other agencies, a paper agreement has little impact if it is not accompanied by follow-up effort on the part of relevant agency staff. Perseverance is essential to success.

Most typically, SEAs seek to promote joint local efforts around groups of handicapped children who require a rich mix of services. For example, pre-school handicapped children have been the focus of a number of these efforts. More recently, many SEAs have attempted to target services at older handicapped children and to seriously emotionally disturbed children. Each of these populations has multi-disciplinary needs which often are met by other local human service agencies.

One example of a state interagency agreement was undertaken by Michigan's Department of Education. This agreement was designed to promote local collaboration in providing vocational services to handicapped youth.

In 1980, the Special Education Division of Michigan's Department of Education undertook an intensive joint effort with both another division of the Department -- the Vocational Education Division -- and the State Division of Rehabilitation Services. Their goal was to develop state policies that would facilitate and stimulate improved secondary level vocational services. This collaborative effort was motivated by a shared conviction that secondary level special education students were neither being prepared effectively for work, nor developing skills commensurate with their potential.

Staff persons from each of the three agencies produced a state-level interagency agreement that both demonstrated a substantive commitment on the part of their respective agencies and provided a detailed guide from which local districts could build their programs. By resolving the major policy issues among the three agencies, this agreement helped to develop sound local programs. More specifically, this agreement outlined the roles and responsibilities of each agency in secondary programming, and put into place a process that would result in the development of additional local vocational programs for secondary school students. This agreement between the three agencies emphasized cooperative service delivery rather than shared funding arrangements.

The Michigan agreement does not attempt to reshape the service delivery practices of the three participating agencies to conform to a single state program model. Instead, it sets forth functions each agency is mandated to perform with regard to the provision of education and related services to handicapped children and leaves considerable discretion to local districts. (See Appendix E for a more detailed description.)

Michigan's program was developed amidst budget cutbacks and shrinking resources that slowed the agreement-drafting process. At several junctures, each of the three participating state agencies questioned whether it could afford the level of staff time required for the cooperative program building effort. Yet at each point, the agencies affirmed their willingness to proceed. Their sustained involvement was, in itself, a clear message to their local counterparts that developing local progams was not only important, but a priority.

Other state agreements to promote local-level collaboration, such as California's agreement between the SEA and the Department of Mental Health, and Oklahoma's agreement among the SEA, Vocational Rehabilitation, and Vocational Education, are described in Volume 2 of this series, Effective Policies in the Provision of Related Services.

In contrast to the agreements previously mentioned, other states have concluded that the most effective and efficient method of promoting local collaborative arrangements is to offer LEAs direct fiscal incentives. For example, two states described below have used state level funding to encourage joint local programs. While, in itself joint funding of local programs is not new, some SEAs are finding innovative ways to stimulate local districts to alter their policies and increase interagency coordination to benefit handicapped children.

Because joint funding requires new cooperative arrangements at the service delivery level, SEAs interested in this approach focus less on general, state-level collaboration and more on specific program linkages that directly benefit certain groups of handicapped children. Joint funding thus would not help resolve many state-level issues of concern to interagency committees, instead, it seems to be more viable as a way of prompting local action. Typically, SEAs issue a

Request for Proposal (RFP) that solicits competitive bids by LEAs and local human service agencies to jointly operate programs of special education and related services. The promise of new program funding motivates local agencies to enter into the necessary agreements with other human service or education agencies. Two examples of such a competitive bidding process are described below.

> Rhode Island's SEA recognized that services to severely handicapped children with behavioral disorders were in short supply statewide and that merely "encouraging" local programs had not resulted in much new funding. The SEA was also interested in decreasing the number of expensive day and residential out-of-district placements for this group of children.
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> In response to this situation, the SEA used part of its P.L. 94-142 25% set-aside funds to issue an RFP soliciting joint proposals between LEAs and Community Mental Health Centers (CMHCs) to develop programs for this specific population. The objective of the RFP was to use seed money to encourage local organizations' collaboration. In effect, the LEA would act as a case-manager and refer troubled children to a joint LEA-CMHC program. The SEA thereby hoped to assure that these school-age children received adequate care.
>
> Grants were awarded to three localities, Kent County, Providence, and Woonsocket, in which the LEA and the CHMC jointly developed a plan to treat emotionally disturbed children. SEA discretionary funds were used as a three-year commitment to provide start-up funds for these projects.
>
> While the SEA's use of the RFP mechanism had been used before, the previous competitive solicitations had been limited to LEAs. In each of the three projects, the LEA or group of LEAs is the fiscal agent and maintains fiscal and administrative control of the special education funds. The LEA receives funds directly from the SEA, but the CMHC involvement is an essential part of the local program. (See Appendix F for a more detailed discussion.)

The RFP strategy recognizes a state's limited ability to specify the necessary local interagency activities because, for example, local conditions can vary greatly and local jurisdictions may not be ready to initiate certain policies. The RFP incentive approach helps only those LEA's that desire interagency programming, and does not force them to initiate policies or programs for which they are not ready. RFPs allow local agencies to tailor their cooperative programming to local needs and resources -- thereby acknowledging each local jurisdiction's unique conditions. Massachusetts' RFP exemplifies such flexibility:

> Massachusetts' SEA issued an RFP soliciting joint SPED/Vocational Education programs from local school districts. The RFP was developed in conjunction with local special and vocational education directors, and was issued by the Department of Education as a consolidated unit, rather than either the Special Education or the Vocational Education unit alone.
>
> Both the Special Education division and the Vocational Education unit contributed funds. Forty-six awards were made, each for approximately three years. This funding was provided with the explicit agreement that local programs use both special education and vocational education (110-A) monies in addition to the state seed money and that local support eventually replace start-up funds. To assure that educational objectives are being achieved, these programs are monitored and evaluated by the state special education and vocational education units. Program content varies to reflect local priorities.
>
> After two years of local program operation, the SEA has found that 30 projects planned to continue with local funds after the third year, seven projects were still receiving state seed money, and only 9 projects were unable to pick up the costs of their programs. As a result, 37 of the 46 projects successfully had established new local level programs with vocational agencies. (See Appendix G for a more detailed discussion.)

Massachusetts' RFP approach assumes that, when necessary, the state agency will facilitate program development by providing start-up funds, and will grant technical assistance and other forms of short-term support to LEAs, while allowing them to make basic programmatic and policy decisions. Massachusetts' approach differs from Rhode Island's in that joint funding from two state offices was offered rather than from only one.

As mentioned before, the procedures by which SEAs fund LEAs through a competitive grant process is not, in itself, innovative, but is highly effective in promoting collaboration. Especially since the enactment of P.L. 94-142, states have recognized the value of this type of seed funding and many state agencies have used their discretionary funds to initiate local programs. Not accidently, according to local officials' assessments, many of these programs represent their districts' most effective efforts.

The efforts undertaken in Michigan, Massachusetts, and Rhode Island to promote joint local level programs share two features. First, each is based on the premise that other human service agencies should share the responsibility of providing services to handicapped students. Each of these SEAs sought ways following the passage of P.L. 94-142 to prevent other state agencies from reducing their financial and/or service commitments on behalf of handicapped students. The participating agencies, in these cases at the instigation of the SEA, were committed to improving the scope of services available state-wide to handicapped students.

Second, each of the three above ventures offered participants fiscal incentives. Rhode Island and Massachusetts offered the most direct fiscal incentives by holding out discretionary money that would be granted only for local programs where at least two agencies shared the cost and/or service responsibilities. Michigan's agreement offered the Vocational Rehabilitation agency an incentive to participate because special education funds could be used to meet federal matching requirements. Moreover, the three Michigan agencies eventually discovered the greater fiscal benefit in working together than in pursuing separate programs. As financial constraints tighten across the country, it is increasingly likely that any effort to expand or enhance services at the local level will have to include fiscal incentives.

C. Establishing General State Policy with Regard to Service Delivery and Financial Responsibilities Among Agencies

A few states have attempted to achieve interagency collaboration as a matter of general state policy, focusing on operational procedures and responsibilities among parallel state agencies. This stands in contrast to the more limited efforts to improve services for one target population or for a single clearly defined objective, described previously.

One approach to achieving this general collaboration is to establish budgetary strategies that maximize agency funding available to handicapped students. An example is legislation enacted in California.

California's legislature focused on interagency collaboration because of its concern with compliance issues raised with regard to payment for related services, specifically occupational and physical therapy provided by California Children's Services. In addition, in reviewing the state's interagency agreements, the legislature's Joint Audit Committee found that these arrangements neither gave state agencies specific financial responsibilities nor assured that federal funds would be allocated most efficiently. Moreover, these agreements were neither binding nor enforceable by the SEA, despite its supervisory responsibilities under P.L. 94-142. The Audit Committee reported that, despite P.L. 94-142's provisions, the SEA had limited state statutory authority to coordinate other agencies' activities.

Because of these problems, the 1980 California legislature passed two bills: the Joint Funding for Education of Handicapped Children Act and the Education and Services for Handicapped Children Act. Together, these two acts require the development of:

- Written interagency agreements which assign specific fiscal responsibilities for providing special education and related services;
- A plan that identifies all legislative obstacles to effective interagency collaboration as well as waivers that remove these obstacles; and
- A review process at a higher level of government than the SEA that would be triggered whenever any agency fails to meet its financial responsibilities to handicapped children. A third law passed in 1982 reiterated the need for interagency cooperation among agencies. (See Appendix H for a more detailed discussion.)

In one stroke, these laws established a legal basis for interagency cooperation that P.L. 94-142 had encouraged, but not mandated. While other states had struggled with interagency agreements and committees to produce such a mandate, the California legislature opted for this legislative mechanism when compliance problems had developed and normal interagency agreements had proven ineffective. These laws represent a response to a perceived crisis as well as the legislature's impatience with the state's bureaucracy. Thus, the laws were less a carefully crafted approach to interagency policy than a demand by the legislature for improved agency performance.

California's interagency legislation is the strongest mandate for collaboration that exists at the state level, having the force of law. It makes explicit what has been termed the "broader" approach to interagency collaboration, an approach which is motivated by the needs of the state government as a whole, rather than by the unique needs of the SEA.

However, this strategy is not without its drawbacks. Without a commitment from agency staff, legislative action does not necessarily lead to change. While California's law put state agencies on notice that they must change current policies, an enforcement mechanism has not been operationalized and the anticipated consequences have not materialized. In addition, although imposing agency collaboration from outside the agencies themselves is a strong mandate, it also poses the biggest risk that agencies will resent the directive and fail to put all their effort into making the collaboration work.

The ideal approach to clearly delineate agency responsibilities would stem from the relevant agencies themselves, who thereby would evidence their strong interest in a better coordinated service system for handicapped students. The following two examples involve state agencies which demonstrated such an interest and undertook a series of activities on behalf of handicapped students.

> Maryland has initiated several coordinated activities to ensure state-level interagency collaboration. The state legislature and the Governor's Office, alarmed at the rising costs of non-public residential placements for handicapped children, and seeking improved implementation of the provisions of Maryland's special education law, ordered an examination of services provided to handicapped children in residential institutions. The Governor then appointed a blue-ribbon commission that recommended the formation of a State Coordinating Committee on Services to Handicapped Children (SCC) composed of representatives from the Departments of Health and Mental Hygiene, Education, and Human Resources.
>
> Since its inception in 1978, the SCC has concentrated on resolving problems related to interagency service delivery and financing for handicapped children placed in residential facilities. In the short term, the Committee has clarified cross-agency responsibilities. (The SEA had already established a system of local, regional, and state committees in which multiple agencies work together in cases where a child may need a residential placement.) In the long term, the SCC has developed a framework to address service delivery arrangements among agencies that calls for a case management system and the allocation of financial responsibilities for residential placements based on a common funding pool and a uniform rate and fee structure. (See Appendix I for a more detailed description.)

These and other activities in Maryland are leading toward a comprehensive interagency strategy which has been effective for several reasons. Because Maryland's Coordinating Committee is made up of the Assistant Secretaries of the Human Service agencies and the Assistant Superintendent of the SEA, the Committee is able to make policy decisions. Moreover, the SCC's membership is comprised of representatives from both the State Department of Budget and Fiscal Planning as well as the Governor's Office. Because these agencies participate in policy decisions, the financial and jurisdictional problems that often arise subsequent to interagency committee decisions are far less likely to do so in Maryland.

The Maryland Committee's success can also be related to its history. Because its mandate orginated with the state legislature, and the Committee itself was established by executive order of the Governor -- upon the recommendation of a blue-ribbon committee -- many state officials regard this committee as the chief actor in interagency planning. As a result, participating agencies abide by its recommendations.

Colorado also has initiated a series of activities to address interagency issues. The SEA and the Department of Social Services entered into an interagency agreement, and the state legislature passed a bill, concerning children placed in residential facilities:

> The Colorado Department of Education entered into an agreement with the Department of Social Services to establish joint placement, funding, and monitoring procedures for children placed in residential facilities. The two departments agreed to: (1) jointly develop IEP's and secure appropriate placements for handicapped children who may need outside-the-home care; (2) jointly assess and evaluate placements and report to the court on the need for these placements, to ensure that the placement is in the least restrictive environment; and (3) allocate all education and related service costs identified in the IEP to the LEA and all care and maintenance costs to the local department of social services.
>
> At the same time, the Colorado legislature enacted a bill allowing counties to use monies previously allocated for residential placements to develop local alternatives that would enable children to remain in their homes. Counties did this by creating local

interagency committees called Placement Alternative Commissions (PAC's) which maintained responsibility for developing new joint programs. (See Appendix J for a more detailed description.)

Colorado used both an interagency agreement, which assigned service delivery and financial responsibilities among state agencies, and local interagency committees, which developed alternative programs to reduce residential placements. Utilizing both of these strategies has tended to give interagency cooperation a cumulative effect.

The process by which Colorado developed this agreement between the SEA and the Department of Social Services is partially responsible for its effective translation into local operation. All local directors of special education, as well as county directors of social services, were active participants in the agreement's development. An executive committee of local directors drafted the agreement, which all local directors then revised. While the entire process took more than one year, department heads concurred that the resulting agreement could be successfully implemented in contrast to earlier attempts which had foundered because of the absence local administrators' participation.

D. Information Sharing Among Agencies

When a child is served by multiple agencies, it is often difficult to determine what type of care is provided by which agency. While many states have noted the need for some mechanism to allow sharing of information across agencies, only one state, Utah, has actually undertaken steps to put such a system in place.

> Utah, which has established an interagency committee made up of representatives from the SEA and the Departments of Social Services and Health, has gone beyond its committee structure with plans for an integrated information system common to all agencies serving handicapped children. Although still in its formative stages, the plan calls for a computerized system of information which will include data from and remain accessible to each of the participating agencies. These include the Departments of Social Services, Education, and Health. Other agencies will be added as the system becomes operational. These plans are based on committee members' conviction that meaningful interagency collaboration can only occur when a common information base is available. Committee members view such a system as a vehicle promoting "a common language," a prerequisite for formal and informal interagency negotiations.
>
> This information registry has three major functions. First, by aggregating information across all agencies, the state will gain a more complete and accurate state-wide statistical data package about handicapped children and the services they are receiving than is currently available. Second, each agency will use the registry when they receive a new referral to find out what other services the child already may be receiving. Third, the registry will have a major impact on programming. By providing agencies with data about the full range of services a child has received, staff from different state agencies can improve the efficiency of services they offer at the level where it is most important -- the point of contact with the client. (See Appendix K for a more detailed discussion.)

The implications of this computerized information system for planning and policy-making are significant. For the first time, a state will record the level of services that separate agencies are providing to handicapped children. In addition, state agencies will be able to allocate resources based on up-to-date information concerning the types and numbers of children being served.

Utah's efforts to establish a cross-agency information base is viewed as an indispensable first step to allow different state departments to collaborate. In fact, the use of a computer to convert existing information into a single system represents a conceptually simple, but extremely significant, solution to one of the most significant barriers to interagency collaboration. By allowing the state to utilize information across programs, the registry could be especially useful as federal funds become both more "flexible" and more scarce. Because few, if any, states have multiple program-based data, state agencies know little about the degree of program overlap or the priorities that should be used to allocate service resources.

III. COMMON FACTORS CONTRIBUTING TO THE EFFECTIVENESS OF INTERAGENCY COLLABORATION STRATEGIES

Whichever stragegy, or combination of strategies, a state uses to achieve a particular purpose, certain common factors emerge as critical to effective interagency efforts.

First, the involvement of a higher unit of state government seems crucial to the success of interagency collaboration. Agencies respond more fully to a cooperative agenda if the state legislature, the Governor's office, or another authoritative unit, such as a State Budget Bureau, is involved. Support for this conclusion emerges from almost every one of the most successful interagency approaches documented in this report. It is interesting that state legislatures, rather than Governor's offices, seem more likely to be involved in those approaches judged to be effective. In part, this may reflect the fact that SEAs are often more closely tied to legislative than executive authority, because a state's superintendent of schools may not be responsibile to the Governor. However, since human service agencies are under the control of the Governor's office, productivity probably would increase even further with more extensive involvement of this office in interagency efforts.

Second, regardless of the approach selected, states must view their actions as part of an on-going process of interagency collaboration, rather than a one time effort which will somehow continue to yield effective interagency collaboraton. Effective working relationships can result from any of the strategies previously described if the participants understand the nature of the process of achieving collaboration. A necessary step to reach such an understanding involves communication: state agencies must communicate regularly and involve each other in planning, policy development, and policy implementation. With effective interagency communication, the particular vehicle a state uses to forge collaboration -- whether it is one or another of the formal methods described here, or one of the many informal methods which characterize day-to-day operations -- is less important.

Third, availability of necessary resources, particularly staff, is necessary to maintain effective cooperation. Although enthusiasm for the novelty of interagency work can motivate early efforts, long-term resource and staff allocation usually is essential to perpetuate these activities. In those cases where staff have been unavailable for follow-through, either little progress occurs or collaboration ultimately fails.

Fourth, interagency efforts cannot long survive without firm leadership and direction. In several of the effective strategies reviewed here, the SEA provided this leadership. The SEA's leadership role may be direct, as in Louisiana, or indirect, as in Maryland, but some agency must be able to specify the necessary activities to be undertaken by each agency involved in making the appropriate policy decisions. Achieving the resources and knowledge necessary for this leadership is a challenge to many SEAs which traditionally have not viewed themselves in this role.

Fifth, interagency strategies are apt to be most successful when they are selected according to their suitability for a specific task. Clearly, each approach is not equally adaptable to all tasks. Each exhibits strengths and weaknesses which make it better-suited for some types of activities rather than others. For example:

- Interagency committees are best-suited for communication, problem solving, and information-sharing among agencies, as well as for deliberating on broad policy directions that state agencies must jointly establish and pursue. However, evidence suggests that committees are less capable of allocating financial responsibilities among multiple agencies, and that they are not particularly effective mechanisms to promote local level program collaboration.
- Written interagency agreements seem to be particularly appropriate mechanisms to assign service delivery and financial responsibilities among agencies if participating agencies are committed to negotiating relevant policy issues. If commitment by both parties to an agreement does not exist, or is not enforced by a higher level of state government, written interagency agreements have proven the least useful of all the forms of interagency collaboration because they are the easiest to ignore.
- Although narrower in purpose, joint local program funding is an effective means for state agencies to promote interagency service delivery efforts at the local level.
- The boldest approach to effect interagency collaboration among state agencies may be the legislative one. State law mandating joint financial and service delivery plans, with an enforcement provision by a higher level of state government than individual agencies (as in California's case), may have the greatest potential for effecting change at the state level. However, as is the case with California, this "strong-arm" approach has a high risk of not becoming operational since it requires sustained attention by the Governor's office, an office that often is preoccupied with other state matters.

Sixth, although it has been little mentioned in this chapter, the importance of the informal dimensions of interagency collaboration cannot be overemphasized. The formal mechanisms which this chapter describes represent only one kind of activity necessary for collaboration. The working relationships people establish are often the critical factor differentiating the success or failure of similarly structured programs. The scope of this examination of alternative approaches has not allowed for an adequate analysis of this informal dimension, but an awareness of its importance underlies all conclusions.

Seventh, interagency efforts should seek to strengthen and formalize existing state linkages rather than create new structures. Thus, revitalizing existing committees or recommending revisions of existing policies may be more productive than starting anew. The Maryland SCC, for example, found that it was more effective to modify their current placement system rather than institute a new one.

Eighth, interagency collaboration may be the most successful when it starts with a limited scope and expands into other areas only when participants feel comfortable with their initial activities. The initial focus should be on one specific area for collaboration -- for example, residential placements -- and then phase-in other areas.

Ninth, interagency collaboration efforts at the state level are irrelevant if local implementation is not addressed. One effective way to assure successful local implementation is to allow local policymakers to participate directly in the state collaboration process, as Colorado did in its state interagency efforts.

Finally, activities seem to be most effective when a forum for problem solving is provided, enabling each member to both attain an understanding of the goals, activities, and needs of other agencies and to recognize that compromises need to be reached.

In conclusion, the question becomes, "Is interagency collaboration a useful mechansim for resolving problems regarding services to handicapped students?" The answer is a qualified "yes." The initial period of interagency activities has demonstrated that true collaboration is not a simple task. It is only one approach that can be adopted to address some of the difficult problems posed by the challenge to comprehensively meet the unique needs of handicapped students. However, when viewed in this way, fully recognizing its limitations and operational difficulties, interagency collaboration can be a useful approach for SEAs to pursue.

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APPENDIX A

INTERAGENCY AGREEMENTS FOR STUDENTS IN PUBLIC AND PRIVATE INSTITUTIONS

LOUISIANA

INTERAGENCY AGREEMENTS FOR STUDENTS IN PUBLIC AND PRIVATE INSTITUTIONS

LOUISIANA

SUMMARY

In 1980, the Office of Special Education within the Louisiana Department of Education and the Office of Mental Health and Substance Abuse within the Department of Health and Human Resources signed an agreement which assigned service delivery and financial responsibilities among the two offices for services provided to handicapped children in state-operated mental health institutions. The agreement stipulated that the Office of Mental Health would pay for treatment and care and any other services routinely provided in conjunction with that treatment and care. The Office of Special Education would pay for education and related services that were not part of the routine treatment and care.

A similar agreement was signed between the Office of Mental Retardation, also within the Department of Health and Human Resources, and the Office of Special Education for students in public mental retardation institutions. Finally, in a third agreement, the Office of Mental Health agreed to pay for all services listed in their treatment plan for students they place in private mental health residential facilities, while the education agency agreed to pay for special education and any remaining services listed in the IEP and not in the mental health treatment plan. The first two agreements sought to better serve handicapped students in

state-operated institutions and the third for students in private residential facilities by reducing duplication of services and clarifying agency responsibilities.

DEVELOPMENT AND PURPOSE OF THE AGREEMENTS

Louisiana had created a special school district for all handicapped students residing in state institutions. This special school district operates a school on every state institution's campus.[1]

Following passage of P.L. 94-142, special education officials and officials from the Department of Health and Human Resources (which houses the Office of Mental Health and Substance Abuse, the Office of Mental Retardation, and the Office of Public Welfare) identified two areas of priority concern: one was handicapped students in mental health and mental retardation institutions and the second was handicapped students placed in private mental health residential facilities by the state.

Recognizing that the Office of Special Education needed assistance from the Office of Mental Health and the Office of Mental Retardation to resolve problems for these two groups of handicapped students, three interagency agreements were developed. Their objectives were to better serve handicapped students in residential facilities in a way that complied with federal and state law and that reduced duplication of services among agencies.

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[1] For a fuller discussion of Louisiana's special school district, see Volume 4: Policies Which Address Out-of-District Placements and Assure Education in the Least Restrictive Environment.

The first agreement is between the Office of Special Education and the Office of Mental Health and divides service and financial responsibilities for handicapped students residing in public mental health facilities. According to this agreement, the Office of Mental Health pays for all treatment and care costs while the education agency pays for education and related services that are not part of routine treatment and care. The second agreement makes the same stipulation between the Office of Special Education and the Office of Mental Retardation for handicapped students in mental retardation facilities.

To address questions of agency responsibilities for handicapped students in private mental health residential facilities, the Office of Special Education entered into a third agreement. This one specifices that the Office of Mental Health would pay for all services listed in the treatment plan when they placed a student in a private residential facility. The education agency would pay for education services and all remaining services listed in the IEP.

The developmental phase of the agreement with the Office of Mental Health concerning students in state-operated mental health institutions lasted approximately 12 months. Because the Office of Special Education believed that true collaboration requires an understanding of other agencies' regulations, goals and administrative structure, the person responsible for developing the agreement for the Office of Special Education was given an office in the Department of Health and Human Resources for one year. By being physically located in the Department, he came to understand some of the constraints of the agency and was able to draft a more workable agreement.

A second strategy used during the development of this agreement was intended to assuage concern by the Department of Health and Human Resources that their funding would be endangered. Mental Health administrators initially feared that the agreement would mean they could no longer use Title XIX Medicaid funding. However, the staff persons drafting the agreement convinced the Mental Health officials that the agreement would not risk their Medicaid funding and that they would even be able to reassign existing staff who would be replaced by education staff. In essence, staff eventually sold the idea on the basis that it would enable the Mental Health office to free up some of their resources.

A draft agreement was circulated to the Chief Executive officers of the affected institutions and local education agencies for their reactions. Their comments were incorporated into a revised version, which, while it did not represent absolute consensus on all issues, did recognize as many local suggestions as possible.

IMPLEMENTATION

The agreement between Special Education and Mental Health was signed and implemented in 1980. The Office of Special

Education and the Office of Mental Health sent a team of state staff to each of the local institutions to help them develop specific implementation plans.

One fairly minor problem quickly surfaced. This involved the question of whether the institutions could charge parents for services on a sliding-fee scale. P.L. 94-142 prohibits charges when a public agency places a child in a facility in order to provide the child with an appropriate education program. This issue was resolved by allowing the Department of Health and Human Resources to charge on a sliding-fee scale for treatment and care charges but not for education and related service costs. This meant that the two budgets had to be kept separate.

The mental retardation agreement was implemented at about the same time as the mental health agreement. Once this agreement was in place, the state Budget Office requested that the Office of Mental Retardation give $1 million of its Title XIX (Medicaid) funds to the school district responsible for handicapped children in state institutions. This money was to be used to pay the salaries of paraprofessionals who teach daily living skills to mentally retarded children. These paraprofessionals work at a staff/client ratio of 1:3 and concentrate on behavior-shaping tasks. Thus this agreement, when implemented, used Medicaid funds for educational purposes. (This arrangement does not violate federal rules but may be prohibited under some state laws.) Since Medicaid is a federal-state matching program, this action brought increased federal dollars to the state on behalf of handicapped children.

EFFECTS OF THE AGREEMENTS

The three interagency agreements dealing with handicapped students in state-operated institutions and private mental health facilities have had several positive effects. First, they have clarified responsibilities between the Office of Mental Health and the Office of Special Education and between the Office of Mental Retardation and the Office of Special Education. Before these agreements were negotiated, there was no explicit policy concerning which agency should pay for which services. This clarification has helped local agencies plan and budget for services, and it has reduced turf struggles among agencies.

Second, according to state officials, the agreements have resulted in improved services to handicapped children. Because two agencies are no longer providing the same services to the same children, each agency can refocus its efforts on expanded services that are not duplicative of services provided by the other agency.

Third, the agreements have enhanced the communication among agencies where little had been evident before the agreements. Issues now surface more quickly and there are more frequent discussions among agencies. Although staff say these are not always easy nor pleasant discussions, their very existence brings about resolutions of problems on a scale never attained earlier.

Staff also point to several weaknesses in Louisiana's agreements. They have effected change at the local level slower than some officials had hoped for, as is often the case with state interagency agreements. Other officials have noted that many of the local administrators do not have the technical management skills necessary to operationalize all parts of the agreements. They see a need for stronger leadership -- and better organizational skills -- at the local level.

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APPENDIX B

INTERAGENCY AGREEMENT

DELAWARE

INTERAGENCY AGREEMENT

DELAWARE

SUMMARY

The Delaware Commissioners of the Department of Public Instruction, the Department of Health and Social Services, and the Department of Corrections entered into an administrative interagency agreement which gave the SEA authority to (1) ensure that all state agencies complied with P.L. 94-142 and state regulations, and (2) design policies for the education of all handicapped children enrolled in the Departments of Health and Social Services and Corrections.

To implement this agreement, the three Commissioners established an office comprised of two professionals and one secretary and assigned it the administrative duties identified in the agreement. Since its inception in 1979, the administrative office, working under the direction of the three Commissioners, has helped clarify financial responsibilities among agencies and has helped resolve interagency disputes at the state and local levels.

DEVELOPMENT AND PURPOSE

Following the passage of P.L. 94-142, Delaware's Commissioners of Public Instruction, Corrections, and Health and Social Services understood they would have to bring state policies on the education of handicapped children into compliance with federal and state laws.[1] Since state statute permitted the Departments of Health and Social Services, and Corrections to provide education to children under their respective jurisdictions, all three agencies were responsible for providing some education programs. Each acknowledged that changes were necessary because some handicapped students were inadequately served. The Commissioners already had formed committees to divide responsibilities, but these had proved ineffective because recommendations were too radical to allow easy implementation. However, events suggested they needed to try again: Following passage of P.L. 94-142, the Office of Civil Rights found the Department of Health and Social Services and the Department of Corrections out of compliance because they were inadequately serving handicapped children. It also charged the SEA with a complaint because it was responsible for these children.

Consequently, the State Superintendent of Education met with the Commissioners of Health and Social Services and Corrections, and all three decided to enter into an administrative agreement which gave the SEA authority to develop a federal project that would accomplish the following:

- Provide assurance for compliance with the provisions of P.L. 94-142 and Section 504 of the Rehabilitation Act;

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[1] The Delaware Department of Health and Social Services administers the State's mental health and mental retardation facilities, and the SEA oversees the children's institutions and the school for the deaf and the deaf/blind.

- Assure compliance with the State Board of Education rules and regulations; and
- Develop an administrative design for the delivery of special education and related services to all exceptional children enrolled in the Departments of Health and Social Services and Corrections.

This agreement was signed in August, 1977, and an office of one person became operational in April, 1979. Subsequently, another full-time professional and a secretary were hired. Because the interagency office has had to face federal budget cuts, funding to continue operating partially depends on the ability to use a unique mixture of federal and state funds.

IMPLEMENTATION

The office is considered a special project of the three departments, with the director reporting directly to each department's commissioner. Originally funds for the office came from federal discretionary monies. However, since 1979, funding is provided jointly by the three departments. While amounts each Department contributes are not fixed, they have varied only slightly from year to year. In FY 1982, the SEA contributed $78,807 from P.L. 94-142 discretionary funds, the Department of Corrections contributed $15,000 from federal and state funds and the Department of Health and Social Services contributed $48,907 from a combination of P.L. 89-313 and state funds. The Department of Health and Social Services pays a percentage of its funds according to the number of children it serves.

In addressing the problem of split jurisdiction among state agencies for the education of handicapped children, the office decided that three tasks were necessary: (1) delineating the three agencies' responsibilities,(2) designing a plan enabling the SEA to generally supervise educational programs operated by other state agencies, and (3) developing procedures for jointly evaluating service delivery. The Director of the Office of Interagency Agreement, as it is called, is charged with providing technical assistance and on-going program evaluation to ensure that the services delivered are in compliance with the requirements of P.L. 94-142, Section 504 of the Rehabilitation Act of 1973, the State Board of Education Rules and Regulations, and the Delaware Code.

Many of this office's activities deal with crises. When one agency is found to be either out of federal compliance or cited for a deficiency, this office tries to remedy the problem, always doing so by collaborating with the three agencies. For example, a state-operated facility for the emotionally disturbed was unable to finance related services as part of its on-site educational program. In the summer of 1981, the Office of Civil Rights issued a complaint that the Division of Mental Health was not providing related services and at the same time, cited both the SEA, because it was responsible for assuring the provision of related services, and the Bureau of Juvenile Corrections, because it also was not providing related services. In response to the complaint, the interagency office conducted a needs assessment for children in these facilities and contracted with a private agency, the Visiting Nurses Association, to provide OT, PT, and speech therapy.

The Director of the interagency office played the key role in developing the following financial agreement: A financial pool was created to provide related services for children in mental health and correctional facilities. It was not cost-effective for each agency to contract or hire the personnel necessary to provide a full range of related services as determined by the needs assessment. The Department of Health and Social Services and the State Education Agency each contribute approximately $11,000.00, with the Interagency Office adding another $4,000.00. The Department of Corrections agreed to redirect their commitment to the related service pool to the area of improving psychiatric services (a previously unmet need) in correctional facilities. The Department of Corrections eventually contributed $2,400 to offset unanticipated costs monitored by the Interagency Office. Referrals, evaluations and scheduling procedures were developed by each participating facility.

In addition to handling crises arising from non-compliance with P.L. 94-142, the Office of Interagency Agreements assists in the process of developing policies that benefit handicapped students. For example, the office played a key role in the 1980 passage of HB 789 which lowered the age at which children are entitled to receive a free appropriate public education. Because of this law, blind and deaf children from birth and other children when they reach three years old are entitled to receive a free appropriate public education.

In this case, the director of the office established a committee made up of 58 pre-school providers who agreed to support the legislation. The committee petitioned the General Assembly and ensured them that, as a group, they would work toward effective implementation of the law. After this law's passage,this committee issued a report, "Early Intervention for Pre-School Handicapped", which recommended that each county establish an At-Risk Interagency Screening Evaluation Committee. By 1982, these screening committees were in place statewide. This report also recommended that the Head Start programs be moved to school buildings and accept 20% of their caseload from handicapped children. While this recommendation initially was accepted and implemented on a pilot basis, declining enrollments and school closings in made it infeasible.

The office's ability to assist in developing policy was also evident with regard to the confidentiality of information issue. For example, the Department of Corrections was unable to receive or transfer student records until the director of the interagency office drafted a policy statement that paralleled P.L. 94-142 pertaining to access of diagnostic information and student records. The Department of

Corrections incorporated the statement into its 1981 state regulations and has been implementing it ever since.

EFFECTS OF THE OFFICE'S WORK

When measured against the criteria for effective interagency efforts, Delaware's Office of Agreement has achieved some notable success.

(1) Support for SEA: The presence of this office has lent "clout" to SEA activities, even though the director reports to the commissioners of all three agencies. In all of its work, staff of the office seek to ensure that the best interest of all three agencies, as well as the SEA's, are realized. Thus, this office's activities have served to greatly assist the SEA in its supervisory responsibilities.

(2) Clarification of specific technical and financial agreements: Rather than generally clarifying agencies' financial responsiblities, the office has drafted technical and financial arrangements, such as the one between Mental Health, Corrections, and the SEA to provide funds for related services.

(3) Guidance to LEA's: Similarly, the office provides guidance when LEA's face problems. For example, in a case where neither the Division of Mental Health nor the LEA of residency would pay for an aide for an emotionally disturbed child placed in a residential facility by a family court, the director of the interagency office has petitioned the family

court for a judgement. While awaiting judicial resolution, the interagency office has provided the necessary funds.

(4) Increased services for handicapped children: The work of the office has resulted in increased services for handicapped children, as evidenced by the pre-school legislation and the local screening committees. The agreement to provide related services also came about largely at the instigation of the interagency office. Current interagency activities developed as a result of this office include a Driver's Education program, Computer Network and Newsletter, Summer Horticulture Program, Curriculum Development and Inservice programs.

(5) Conflict resolution: Perhaps the primary benefit of the Delaware office is its ability to resolve inter-agency conflicts. The need for a mediator results from the SEA's authority to supervise all education programs. This authority easily can be construed as intervening in other agencies' programs. The Director of the Office of Agreements maintains that because he has gained the trust of all three departments, disputes are easily handled. Each department expresses confidence that the office's activities will serve collective, as well as individual, interests.

A positive evaluation of the Delaware office by the Mid-Atlantic Regional Resource Center cited the following:

> Policies and procedures for services to institutionalized children and youth have improved. Progres has been made in the design of procedures for the coordination of individualized educational program development and implementation. Student record transmittals

have improved; there has been a reduction in the duplication of student evaluations. The Department of Corrections now has an operations manual outlining procedures for screening handicapped children (evaluation occurs before sentencing). Previously unattended, staff development is receiving more attention.

Agreements between state-operated facilities and local school districts have been easier to reach since the implementation of this project. The state-level administrative agreement serves as a prototype for local efforts and appears on the back of all local agreements.

The director, trusted by all three agencies, views himself as a facilitator helping the agencies to develop their own problem-solving processes and products. Removing the role of interagency coordinator from the Department of Public Instruction and making it answerable to all three agencies has increased access and reduced suspicion of agency bias. Agencies are now more willing to cooperate, realizing that interagency efforts can be very helpful in resolving problems and reducing service delivery gaps. On several occasions, the director has successfully provided mediation services, allowing agencies with differing views to reach a mutually agreeable solution to the existing problem.[2]

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[2] Mid-Atlantic Regional Resource Center, Unpublished Document, August 1981.

APPENDIX C

INTERDEPARTMENTAL COMMITTEE

MAINE

THE INTERDEPARTMENTAL COMMITTEE

MAINE

SUMMARY

In 1977, the Maine legislature passed a law requiring three state agencies to develop a long-term coordinated set of policies concerning children and family services. These three agencies consisted of the Department of Human Services, the Department of Mental Health and Mental Retardation, and the Department of Corrections. The Department of Educational and Cultural Affairs was added to this list shortly thereafter. The Commissioners of each of these departments decided to form a committee that would serve as an on-going mechanism enabling them to develop and implement an interdepartmental system of residential and group care for children.

The Interdepartmental Committee (IDC) was established with the four Commissioners from the above agencies as its membership. Task groups and operational subcommittees were created to facilitate the work of the committee.

Because the Commissioners are state cabinet officials, they have maintained a high degree of decision-making authority and have accomplished several far-reaching goals with respect to group care arrangements:

- They developed a coordinated system for reviewing and funding applications from residential and group care facilities.
- They developed a system to determine costs and set rates in residential and group care facilities.

- They created a formula that allocates cost responsibilities to IDC participating agencies.
- They developed a system for tri-department licensure of residential child care facilities.

DEVELOPMENT AND PURPOSE OF THE COMMITTEE

Maine's Interdepartment Committee (IDC) developed from three distinctive efforts related to children and family services that converged in 1973. In that year, three state agencies, the Departments of Mental Health, Corrections, and Human Services cooperated to develop a plan for integrated screening and social service delivery to children. Although many of their plan's objectives were not achieved, these agencies' bureaucratic staff developed strong and continuing linkages.

Between 1975 and 1977, services to children were the focus of a number of special studies and reports, including the Child Abuse and Neglect Task Force of the Maine Human Services Council, a Special Commission to Revise the Statutes Relating to Juveniles, and the Greater Portland United Way's Substitute Care Task Force. These and other efforts paved the way for the 1977 and 1978 introduction of two pieces of legislation into the Maine legislature: An Act to Establish the Maine Juvenile Code and the Interim Children's Services Act. Along with enacting these bills, the legislature issued a directive to the Department of Mental Health and Corrections (subsequently reorganized into two separate agencies) and the Department of Human Services to jointly develop a long-term, coordinated policy for services to children and families. The legislature also then requested that the two agencies submit a report detailing the systematic approach that would be adopted to carry out policy.

As the result of the findings of these activities, residential child care emerged as an area of particular concern. By the time the legislature issued its directive, it became clear that interagency committee efforts in general had to be broadened to include, not only the human service and mental health agencies, but the Department of Educational and Cultural Services as well.

These three agencies submitted a report which included a series of recommendations, some of which required legislative action. One of these recommendations called for sustained interdepartmental efforts for a:

> "--long-term coordinated policy that would have meaningful application to a range of services and issues could not be viewed as an isolated product; rather the policy would need to be developed through a sustained interdepartmental effort involving people at the local, regional and state levels from public and private agencies as well as the legislature."[1]

To this end, this report recommended that an interdepartmental coordinating team be established, made up of the Commissioners and "key policy-makers from those departments selected by the commissioners." The three departments formalized plans for working together and adopted a work plan that specifically focused on developing and implementing an interdepartmental system of children's residential and group care.

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[1] Coordinated Services for Children and Families: Report to the Governor and the 108th Legislature, January 27, 1978.

IMPLEMENTATION

In response to the legislative mandate to develop a coordinated residential care system, the IDC decided, first, to concentrate on those state residential treatment centers that help emotionally handicapped children, a group of children who, more likely than not, would need care from more than one state agency; and second, to initially focus on issues having to do with both financial management and allocations of financial responsibilities across departments.

From its inception, the IDC's effectiveness has depended upon the participation of the Commissioners of the participating departments as well as the availability of both a programmatic and technical staff. Each of the following participants fulfills an important function in the committee's work.

(1) Department Commissioners: Since the Committee's creation, the four Department Commissioners review the progress of the IDC's working committees and determine the need for policy decisions.

(2) Division Directors: The Directors of the Divisions having primary responsibility for children's services in each of the four agencies sit on the Residential and Group Care Committee and act as a steering committee to the overall IDC. They review the work of the interagency teams and ad hoc task

forces that function under the aegis of the IDC and develop the agenda for the Commissioners' meetings. The Division Directors bring to the IDC not only a knowledge of agency policy and program details, but a sensitivity to operational issues. Their expertise and sensitivity has helped the IDC avert potential resistance to its work.

(3) Agency Technical Staff: Fiscal staff and contract officers from each of the agencies are active on the Joint Licensing Task Force, Interdepartmental Negotiation Team, and the Interdepartment Fiscal Team. These teams have been constituted as working committees, with responsibility for both joint contract development and residential care financial management.

(4) IDC staff: The IDC presently is staffed by an Executive Director and two human service specialists. Salaries are assumed by the three member agencies. IDC participants agree that they "couldn't function without the staff,"...."the inertia would kill us otherwise." Staff convene the meetings, develop agendas and work plans, and provide overall support to the committees.

EFFECTS OF THE COMMITTEE'S WORK

IDC participants point to several intangible consequences of the Committee's work. First, the Committee's work has provided a model for introducing change that takes into account both agencies' mandates and their day-to-day operations. Second, IDC's process has created a "more relaxed" system: by clarifying each agency's role and responsibilities, the IDC's work has both strengthened an agency's control over its own operations and reduced the anxieties of service providers who now deal with a single system.

Specific effects of the Committee's work include the following:

(1) They developed a coordinated system for reviewing and funding applications from residential and group care facilities. The IDC has developed a consolidated contracting process applicable to all residential agencies that involves a single contract which is signed off by all IDC agencies, and a single expenditure reporting mechanism. The IDC also created a preapplication process and a procedure by which new agencies could identify the need for technical assistance at an early point in the facility's program development process.

(2) They developed a system to determine costs and set rates in residential and group care facilities. These costs are paid by parents of non-handicapped children; parents who, themselves place their handicapped child in a facility; and education agencies that place a student in such a facility. This system already has proven beneficial to both state agencies and residential facilities: With the availability of reliable cost data, the Commissioners are able to accurately project future costs and pinpoint areas for cost containment.

(3) They created a formula that allocates cost responsibilities to IDC participating agencies. The Committee's consolidation of state contracting, billing, and reporting procedures has proven beneficial to residential treatment facilities; rates have been both standardized and increased as a result of the data produced through the cost reporting system.

(4) They developed a system for tri-department licensure of residential child care facilities. "Rules for the Licensure of Child Care facilities" have been newly developed and final revisions are in process. Participants are hopeful that these more comprehensive licensing regulations will help to evaluate and

upgrade the quality of programs and, thereby, address the agencies' shared concern: whether children are being referred to and placed in appropriate facilities.

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APPENDIX D

INTERDEPARTMENT COMMITTEE FOR EDUCATION OF THE HANDICAPPED

NEW JERSEY

THE INTERDEPARTMENT COMMITTEE FOR EDUCATION OF THE HANDICAPPED

NEW JERSEY

SUMMARY

New Jersey's Interdepartment Committee for Education of the Handicapped was established in 1978 to coordinate the provision of education and related services among agencies and to ensure that all state agencies serving handicapped children comply with P.L. 94-142. The committee is made up of the Director of the Division of Special Education and the Division of Vocational Education from the Department of Education. The Assistant Commissioners from the Departments of Corrections, Health, Human Services, and Labor and Industry appoint representatives from their respective bureaus and offices. The Executive Director of Head Start and the Assistant Directors from the Office of Community Affairs and the Governor's Developmental Disabilities Council also participate.

The Interdepartment Committee has clarified responsibilities for handicapped children among participating agencies. It began by identifying functions common to all agencies and then proceeded to assign specific responsibilities to individual agencies. To help ensure compliance with P.L. 94-142, the Committee set in motion an on-going, interagency review process whereby state regulations, policies and practices are examined against the federal law.

DEVELOPMENT AND PURPOSE OF THE COMMITTEE

The New Jersey Interdepartment Committee was established under the aegis of P.L. 94-142 and was convened by the New Jersey Department of Education for the purpose of assisting the SEA to develop policies and procedures that would ensure the collaboration of several human service agencies. The original and current focus of the committee's work is handicapped children, a focus it has chosen to maintain, rather than expand to other related areas. The Committee grew out of a recognition that because multiple state agencies could be involved in caring for handicapped children, interagency planning was necessary. The potential overlapping of service jurisdictions and the lack of clarity about financial responsibilities was apparent. The SEA knew that an interagency approach was needed to ensure appropriate services for children residing in private facilities as well as for those children served by other state-operated programs such as correctional or mental health facilities. For example, in New Jersey, a severely retarded child placed in an out-of-state residential facility may be served by an LEA and separate State departments, regardless of which agency made the initial placement. The following rules apply:

- The LEA in which the child's parents reside is responsible for financing the child's educational program.
- Along with the LEA, the State Department of Education is required to monitor the child's educational program.

- The Department of Health supervises medical care and may use Medicaid funds to pay for all or part of the costs of such care.
- The Department of Human Services often is the residential placement contracting agent and certifies a facility's staff when the child is under its jurisdiction.

The Interdepartment Committee is made up of high level staff from all human service agencies in the state. Member agencies include the Departments of Correctons, Health and Human Services, Labor and Industry, Community Affairs and Head Start. The Division of Vocational Education and the Division of Special Education represent the Department of Education. Each year, the Commissioner of Education forwards a letter to the Commissioners of these agencies requesting their cooperation in assuring a free appropriate public education for all handicapped students in New Jersey and asking them to appoint one staff person to the committee. The staff person so assigned is typically an Assistant Commissioner or an office director, one step above a middle management position. Committee members usually report to a higher level person who, in turn, reports to their respective commissioners. The committee also has agreed to form various ad-hoc committees to carry out its work. The members name one or more of their staff to help work on a subject when such a committee is needed for a specific purpose. Thus, the committee relies on member agencies for much of its actual work, a decision that allows committee members to set broad policy directions rather than spend time working out details of implementation.

IMPLEMENTATION

The Interdepartment Committee's first task was to assign clear functional responsibilities to each agency. To this end, committee members listed agencies' common functions and then proceeded to divide assignments. To arrive at common responsibilities, the committee examined P.L. 94-142, Section 504 of the Rehabilitation Act, and New Jersey's own state legislation. The common areas of responsibility identified include the following:

- Enhance public awareness by disseminating information related to services for handicapped children;
- Conduct identification and evaluation procedures relating to the diagnosis of handicapping conditions;
- Review required service plans;
- Consider appropriate placement of handicapped children in special education programs providing required related services;
- Evaluate services and programs provided to handicapped children;
- Develop a comprehensive system of personnel training;
- Implement the non-discriminatory requirements of Section 504.

Each of the departments were then assigned the following additional duties: The Department of Human Services maintains responsibility for Regional Day Schools for the severely handicapped; the Department of Community Affairs is responsible for conducting the statewide special Olympics and implementing the grant funding program under the Handicapped Person's Recreational Opportunities Act; and the Head Start unit takes the lead in developing a statewide advocacy and training network for parents of handicapped children.

The Committee's second task was to guarantee State compliance with P.L. 94-142. The Committee sought to initiate a process to ensure that New Jersey's policies and practices would comply with federal law and regulations. To this end, the Committee regularly examines both federal and state regulations concerning special education and reviews its State Special Eduation Plan so that it will conform to any changes in federal rules, thereby assuring that federal and state regulations do not conflict. The Committee also regularly reviews its own state administrative codes to ensure cross-agency uniformity in school program requirements.

EFFECTS OF THE COMMITTEE'S WORK

Although the Committee itself does not establish policy, its work over the past several years has, according to its members, influenced SEA policy, facilitated an understanding of each other among departments and divisions, and provided a decision-making forum that prevents turf-struggles.

Specific effects of the Committee's work include the following:

(1) Compliance with P.L. 94-142: The Committee has operationalized the assurances in its state legislation, Chapter 207 of the laws of 1979, that the State Department of Education will maintain responsibility for educating all handicapped children in New Jersey. The primary function of

the Interdepartment Committee is to strengthen the SEA's ability to ensure an appropriate education for these children. The Committee's ongoing review of federal and state law and regulations and state practices to ensure compliance is, in effect, assisting the SEA in carrying out its responsibilities of assuring that all State agencies comply with P.L. 94-142.

(2) Clarification of Service Delivery Responsibility: The Committee has established policies which clarify service delivery responsibilites among agencies. Although the Committee has not specifically assigned financial responsibilities among agencies, it is understood that financial responsibilities accompany service delivery responsibilities which have been spelled out.

(3) An Increase of Services: The Committee's work has produced increased services for handicapped children. For example, it assumed a direct role in the passage of pre-school legislation which applied to handicapped students. At a time when disagreements among agencies had blocked the establishment of a policy on pre-school programs, the Committee was able to work together with the legislature to enact new legislation mandating pre-school programs in New Jersey. The Committee provided information to the legislature, testified at its hearings, and endorsed the legislation. At least partially because of the Committee's efforts, New Jersey recently became the twelfth state to pass legislation mandating pre-school programs for all handicapped children age 0-5.

Secondly, the Committee examined community recreation programs and provided information to local school districts and other local agencies about what state programs were available to train recreation personnel. Several LEAs and community recreation agencies then established physical education programs for handicapped students where none previously had existed.

(4) Cost Reduction: The Committee's work has probably reduced costs to all involved agencies. Although there are no data to substantiate this assertion, Committee members maintain that shared activities have saved money. For example, the Committee instituted a toll-free 800 telephone number that can be used by anyone in the state to report the presence of a handicapped child. Because other departments do not have to establish separate lines, operational costs are thereby reduced. Although many savings would not show up in agency budgets, state officials believe that the increased collaboration and assistance the Committee provides to local agencies inevitably will reduce operational costs resulting from service duplication.

(5) Interagency Communication Promoted: Because the Committee provides a forum that promotes communication, potential conflicts have been thereby avoided. According to the State Director of the Division of Special Education, the Committee is assuming even more importance with the decline in federal and state resources. The Committee enables the state to bridge an increasing number of service gaps. Thus, if one

agency is unable to provide a certain service, the Committee discusses ways another agency may be able to help.

The Committee's biggest problem has been to get its members to regularly attend meetings. Because it is critical that the Assistant Commissioners or high level office directors are at meetings, when subordinates are sent in their place, the progress of the Committee's work sometimes is reduced.

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APPENDIX E

THE MICHIGAN INTERAGENCY DELIVERY SYSTEM FOR VOCATIONAL EDUCATION AND RELATED SERVICES FOR THE HANDICAPPED

MICHIGAN DEPARTMENT OF EDUCATION

THE MICHIGAN INTERAGENCY DELIVERY SYSTEM FOR VOCATIONAL EDUCATION AND RELATED SERVICES FOR THE HANDICAPPED

MICHIGAN

SUMMARY

The Michigan Interagency Delivery System for Vocational Education and Related Services represents a strong effort, among three state agency divisions, to increase the availability of vocational education opportunities for handicapped children throughout the state. Using an interagency agreement process at the state level, Special Education Services Area (SESA), Michigan Rehabilitation Services (MRS), and Vocational-Technical Education Service (VTES) developed a model delivery system which could be used by local school districts and local MRS offices to help build comprehensive programs of vocational education and related services. Approximately 30 local programs have been developed or strengthened as a result of the state agreement. Michigan's effort thus serves as an example of state leadership giving impetus to expanded educational, vocational, and related services programs at the local level.

TARGET POPULATION

The Interagency Delivery System was developed to serve secondary school age special education students who are (1) eligible for Michigan Rehabilitation Services, and (2) assessed as able to benefit from one of the vocational education alternatives provided by the program.

OBJECTIVES

The overall goal of the interagency effort, according to the interagency document developed by the three agencies, was to provide:

> "....the services needed by handicapped youth in order that each individual will have the opportunity to develop to his or her maximum potential and to live as fully and independently as possible".[1]

Specifically, SESA, VTES, and MRS hoped to:

1. Better define the responsibilities of each of the three agencies for vocational education and employment-related services to handicapped youth;
2. Reduce duplication and overlap among the services of the three agencies, particularly in light of scarce resources for all three agencies.
3. Encourage cooperative programming at the local level, using a generic program model, in order to improve handicapped youths' access to and preparation for employment.

DEVELOPMENT OF THE POLICY

The origin of the Michigan Interagency Delivery System was in a program begun by MRS in the 1960's and early 1970's. Initially, MRS just hired a special counselor to work with handicapped youth, but by 1972, the vocational education and special education programs have become involved in this effort. Staff of the three agencies realized that the three programs were often pursuing the same goals, "knocking on the same doors," yet frequently duplicating each others' services. Agency staff became increasingly convinced that services would be more efficient if they were well-coordinated, and if the roles of each agency with regard to the others could be clarified. An initial agreement was developed among the three agencies in 1972-73. However, its scope was limited and it did not address financial issues.

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[1] "Michigan Interagency Delivery System for Vocational Education and Related Services for the Handicapped," by Michigan Rehabilitation Services, Special Education Services Area, and Vocational-Technical Education Services, published by the Michigan Department of Education, p. 27.

Michigan's efforts at the state level to better integrate special education, vocational education, and vocational rehabilitation services were reinforced by parallel federal efforts occuring during the same time period. Representatives of the Bureau of Education for the Handicapped (now Special Education Programs), Vocational Education, and the Rehabilitation Services Administration (then in DHEW), issued a federal memo of understanding, setting forth the goal of interagency cooperation and urging states to devise their own programmatic efforts. Michigan's work, which by that time included specific ideas for interagency services delivery, was presented to the three federal agencies in Washington as one possible model and as an example that state level cooperation was not only possible but was likely to improve services. This new federal interest, combined with on-going concern in Michigan about vocational issues, led in 1979 to a revised agreement among the three Michigan agencies.

However, Michigan SEA and MRS staff realized that interagency agreements are only a first step toward cooperative and effective interagency programming. Such agreements, they felt, have little impact unless they are followed by coordinated and sustained program development. "Any three fools can sign an agreement," as one staff person asserted; the more difficult task is to develop a delivery system which actually results in improved services for handicapped students. This became the next goal of the three agencies.

The Interagency Delivery System was developed by a committee composed of representatives from each of the three agencies. Committee members were both personally and professionally committed to the goal of interagency programming, and this commitment turned out to be crucial to developng the delivery system. Even when other demands on their agencies threatened the priority of the interagency effort, the committee members were able to sustain attention on it. The committee was responsible for all aspects of the state level cooperative effort, including: (1) obtaining agency resource commmitments for the cooperative effort; (2) clarifying or changing agency policies which acted as barriers to cooperative service delivery; (3) designing the local delivery model; (4) encouraging local program development through workshops, training sessions, or on-site consultation; and (5) providing technical assistance as local programs ran into difficulties or needed further state policy changes.

IMPLEMENTATION

The major step in implementing the interagency delivery system was publication of a document entitled, Michigan Interagency Delivery System for Vocational Education and Related Services. Developed by the interagency committee, and distributed widely in 1980 by the three agencies, this document set forth the delivery system which the state agencies were recommending to their local counterparts.

This interagency document was unusually detailed and comprehensive. It included:

- A copy of the most recent agreement between SESA, MRS, and VTES, which outlined the commitments each of these agencies made to the delivery system.
- A description of the structure, mandate, eligibility criteria, referral procedures, and services of each of the three agencies, as a reference for local agencies;
- An outline of a generic delivery system model, identifying, by task, which agency had (a) primary responsibility, (b) limited responsibility, or (c) no responsibility. For example, this model outlined procedures for joint development of IEPs and IWRPs, utilizing expertise from all agencies. Local agencies were free to adapt this generic delivery model to their own resources and programs;
- Recommendations for a process of achieving local collaborative programming including models of local interagency agreements;
- Descriptions of the four vocational training options and the related services available to special education students, including:

  -Regular vocational education
  -Adapted vocational education
  -Special Education/Vocational Education, and
  -Individualized Vocational Training

  The service delivery and financial responsibilities of each of the three agencies were detailed for these alternatives.

This document was the basis for in-service training of local agency staff interested in improving vocational programming and rehabilitation services. (The state interagency committee representatives developed other in-service training materials and conducted most of the training themselves.)

After local school districts, intermediate districts, or MRS field offices decided to implement the program model, state staff provided technical assistance as requested. The process usually involved local design of a program; consultation with staff of each state agency in order to identify barriers to implementation; and joint work by state and local staff to remove these barriers, either through change in state policy or through alteration of local procedures.

Implementation of the interagency delivery system has not been free of problems. SEA staff cite several issues which were particularly difficult, as well as several factors which were crucial for continued implementation of the effort:

- The development of the interagency effort was endangered at several points because the three staff persons assigned to it (from SESA, MRS, and VTES) were on the verge of being reassigned to other agency priorities. This was in part due to agency funding cuts and resource constraints, which meant that all three state agencies had trouble just accomplishing their basic functions with little staff time to spare for new interagency ventures. However, reassignment of state staff would have eliminated technical assistance to local districts and -- in the view of the SEA and MRS staff involved -- slowed the development of local programs. This problem was reduced in the 1982-83 school year when the state agencies, and particularly SESA, renewed their commitment of staff time to this effort.

- Except for the federal interagency agreement developed in the late 1970's, federal policy did not mandate cooperative interagency ventures at the state level. Thus, state staff involved in the cooperative delivery model had to spend much of their time justifying it as a priority effort.

- Some provisions of P.L. 94-142 created barriers to interagency programming. State staff particularly cite the difficulty they encountered in working with the due process orientation of P.L. 94-142. Since neither MRS or VTES had these requirements, local staff in these agencies initially thought local special education personnel were "hiding behind" the due process requirements as a way of not fully cooperating in joint programs. Once local staff understood each others' mandates, however, and realized that they shared program goals, such difficulties were overcome.

- A similar difficulty in local program development emerged on the issue of confidentiality of information. Some local school districts were unwilling to share student information with MRS. This problem, too, was able to be resolved as local agency staff developed closer working relationships, and after the State Attorney General's office indicated that MRS could be considered an education agency.

The factors which enabled the cooperative effort to persist, despite these difficulties, were (1) the strong personal and professional commitments of the three staff assigned to the effort who were successful in keeping their agencies committed to interagency programming; (2) the interest of local school districts and MRS offices in improving vocational training for secondary students; (3) the strength of the interagency delivery model document which, once published, provided reference materials and guidelines for anyone interested in vocational education/special education/rehabilitation programming; and (4) the ability of MRS to use local special education expenditures to match federal funds. This latter factor has been particularly important in encouraging districts to develop collaborative programs. LEA expenditures for staff and space which are used for the purposes of vocational rehabilitation (and which are under the control of an MRS supervisor) can be matched with federal vocational rehabilitation funds at a ratio of 20%/80%. By the summer of 1983, thirteen districts were using this matching arrangement, which accounted for over $2,000,000 of rehabilitation dollars. Rural districts have found this arrangement especially attractive because of its "multiplier" effect on their limited local dollars.

EFFECTS

There have been three major benefits from the Michigan interagency delivery system.

1. More than 30 local programs have been developed, using the state agency agreement as a basis and adapting it to local circumstances. In the 1982-83 school year, it is estimated that these programs served approximately 10,000 secondary school handicapped students.
2. Working relationships among the three state agencies are closer and more productive. In addition to cooperating on this effort, the agencies now review and respond to each others' state plans to identify ways in which collaborative policies and programming could be strengthened. Staff from the three agencies attend each agency's state conferences to make presentations updating the collaborative program, answer field staff questions, and increase their own information-bases related to the other agencies.
3. The interagency effort has led to other activities to improve vocational opportunities for the secondary age students. As an example:

staff of VTES and MRS are now developing expanded guidelines for a post-secondary delivery system for handicapped young adults.

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APPENDIX F

STATE PROMOTION OF LOCAL JOINT FUNDING PROGRAMS FOR EMOTIONALLY DISTURBED STUDENTS

RHODE ISLAND

STATE PROMOTION OF LOCAL JOINT FUNDING PROGRAMS FOR EMOTIONALLY DISTURBED STUDENTS

RHODE ISLAND

SUMMARY

Rhode Island's State Education Agency issued a Request for Proposals (RFP) from LEA's and local Community Mental Health Centers (CMHC) to jointly provide and finance intensive treatment services to severely handicapped children with behavior disorders. This RFP grew out of the SEA's recognition that community services for these children were insufficient, and were well behind services that targeted adults or children with drug related problems. The SEA also hoped to decrease the number of expensive day and residential out-of-home placements.

The objective of the RFP was to use seed money to encourage local organizations to collaborate. In effect, the LEA would act as a case-manager by referring troubled children to a joint LEA-CMHC program. The SEA thereby hoped to be assured that these school-age children received adequate care.

Grants were awarded to three localities in which the LEA and the CHMC jointly developed a plan to treat seriously disturbed children: Kent County, Providence and Woonsocket. SEA discretionary funds are being used as a three-year commitment to provide start-up funds for these projects.

DEVELOPMENT AND PURPOSE OF SEED MONEY

Rhode Island has used the competitive bidding mechanism for various purposes over the past 10 years. It has allowed the SEA to target resources to those districts with particular needs (as only those who choose to perform a particular project will apply). It has been sufficiently specific that school boards cannot divert funds to other purposes, and it has given local special education directors greater control over their use of funds than is possible with P.L. 94-142 funding.

There are nine mental health catchment areas in the state and 40 LEA's with non co-terminous borders. The effectiveness of state and local level education/mental health collaboration has varied, in the words of state agency officials, from fair to poor to non-existent. Yet, both agencies agreed that many students with problems need to receive more intensive community services to prevent institutionalization. State officials recognized that collaborative efforts were needed to serve this especially difficult population, severely handicapped children with behavior disorders. They felt the most effective way to evoke such collaboration was to offer seed money to develop local projects. Thus, the SEA funded these local projects because of its strong commitment to forge interagency collaboration at the local level.

The idea of providing seed money to both local education agencies and CMHC's orginated in 1979 when the SEA began preparing its state plan. Twenty-five percent of the federal funds granted to Rhode Island for special education are retained at the state as discretionary money. To maximize the use of these funds, the SEA sent out a brief survey asking many organizations and LEA's state-wide to identify areas in which new or expanded services were most needed. The overwhelming response indicated that the population most in need of services were students with behavioral disorders. Local respondents agreed that funds were urgently needed to devise programs to keep these children at home, rather than in private day treatment and residential facilities.

At the same time, the SEA was aware of both the lengthy waiting list for residential treatment centers for emotionally disturbed children and their tremendous costs. Because the monies for these placements came partly from state funds, the SEA and the Department of Children and Families were interested in reducing such costs for this expensive option as well as helping local agencies serve these children as close to home as possible. Therefore, the SEA issued a "Request for Proposal" (RFP) that asked for joint LEA and CMHC efforts to provide intensive services to severely disturbed children.

To develop the RFP, the Director of Special Education in Rhode Island met with the Director of the Division of Mental Health and the President of the Rhode Island Mental Health Association, both of whom were supportive of the idea. A few local special education and CMHC directors were also consulted while the RFP was being developed. Copies were distributed to all local federal project coordinators. Courtesy copies were sent to CMHC's so they would be prepared when they were approached by LEA's.

IMPLEMENTATION

The SEA reviewed several applications to the RFP. Three localities were selected for awards. Each of the three localities received $20,000 in start-up funds for the last four months of the 1980-1981 school year and $40,000 for 1981-1982, with a notice that the state expected to continue funding in 1982-1983. While the three local project designs vary slightly, all illustrate that local special education directors and mental health providers are jointly developing a program of services for severely emotionally disturbed children.

In each of the three projects, the LEA or the group of LEA's is the fiscal agent and receives funds directly from the SEA. (These funds covered 100% of program costs for the first two years of operation.) The LEA then contracts with the CMHC to render specific services. A federal regulation that has hindered collaboration surfaced during this period. Federal Department of Education regulations specified that LEA's could not subcontract with another agency without competitive bidding. The state Special Education Director got around this provision by assuring contracting with the CMHC's was justified because the CMHC was the only service provider in the area for emotionally disturbed students.

EFFECTS

Joint projects were developed in the three sites as described below.

1. Kent County: When the state RFP came out, the Youth Services Director at the Community Mental Health Center (CMHC) in Kent County and the Special Education Directors from Warwick, West Warwick, Coventry, East Greenwich, and West Greenwich school districts met for the first time to identify and prioritize mutual needs. Prior to the state RFP, the school districts would sometimes contract with the CMHC for specific counseling services as needed; however, there was very little interaction between agencies.

When the directors began to discuss priorities, they agreed that the disruptive adolescent with a severe behavior disorder who typically drops out of school or gets suspended was the type of child most in need of services. In the past, this student would be a candidate for home instruction, which all agreed was the least desirable option, or for an out-of-state residential center or day treatment, both of which were terribly expensive and took the child away from his/her family.

In the joint planning session, participants agreed to establish a day treatment center for these students. The education agencies provided a previously closed school building and a special education supervisor as in-kind contributions. The CMHC received the start-up funds (which comprised only 20 percent of their budget) and state and local funds for the education of each child in the program. The CMHC also provided administrative overhead as an in-kind contribution at approximately 15 percent of the program's budget.

Contact is maintained among the agencies at several points along the course leading to and following placement. The CMHC staff are invited to attend any internal school meetings held prior to development of the IEP when an emotionally disturbed youth is being discussed. The school psychologist, social worker, diagnostician, parent, teacher and CMHC staff person meet to jointly determine placement and develop the IEP. The CMHC will sometimes conduct further evaluations as well as home visits prior to placement. Special education teachers and the CMHC provide quarterly program evaluations to the special education directors who also meet monthly with the CMHC program staff.

Since becoming operational in April 1981, the Kent County program has been successful in achieving collaboration to provide previously non-existing services to students with behavior disorders. Participants agree that the students now served by this program would be either in an institution or on the streets if it were not for this project. Only three students have not been able to remain in the program and were subsequently placed in residential facilities. But the CMHC Director maintains that they now at least know that a least restrictive environment was tried and that a residential facility truly is the most appropriate placement. Additionally, all participants agree this program is costing far less than approximately one-half the cost of private settings.

2. Woonsocket: Initial discussions between the CMHC in Woonsocket and the five local school districts uncovered agreement that the greatest need common to the two agencies involved emotionally disturbed children in crisis situations who may be awaiting placement and in need of short term intervention. Together the two agencies developed STIT: the Short Term Intensive Treatment Program to provide clinical services to children who are not likely to go to the CMHC on their own, often because their parents may perceive the problem only as the "school's problem".

The program operates as follows. When a child who has been labeled as having a behavior disorder, at any age and with any degree of severity, finds him/herself in a crisis situation (e.g., severe acting out), the school calls the CMHC and makes a referral to the STIT program. The CMHC must make an appointment within 24 hours and must arrange to provide four hours per week of counseling within 48 hours of the referral. Thus the trigger of services is automatic. A certified mental health professional is assigned to the case, and the local district pays for the staff time. A senior clinician supervises the treatment and serves as a case manager. After two weeks, a meeting is held between the CMHC clinicians and the local special education staff. CMHC staff make recommendations for long term placement, which the school staff then approve or modify and assume responsibility for carrying out.

The STIT program has been successful in its attempt to provide another service often missing in the continuum from short term emergency treatment to longer term placements. It also has made good use of mental health professionals where such specialized treatment is not always available in small school districts.

3. Providence: The relationship between the Providence CMHC and the Providence School District has been a good one for many years, as they have jointly planned for staff development and demonstration projects. When this RFP came out, they developed Project TEAM to provide intensive mental health intervention to severely disturbed children in the regular schools. The goal of this program is to maintain children with behavior disorders in the community and in the public schools. Agency staff concluded that joint planning was needed for an intervention program to give severely disturbed children and their families 10 hours of intensive casework per week.

The Providence School District contracts with the CMHC according to the amount of time they provide for the project. New staff were hired at the CMHC for this project and someone is on call at all times. Children attend special education classes in their home school and in addition, because of the severity of the behavior disorder, the CMHC provides them and their families individual treatment sessions for a minimum of 10 hours per week. These children may otherwise have been placed in residential facilities.

A coordinator at the CMHC and one in the special education division of the LEA meet weekly to discuss the student's progress. In addition, teachers talk to the therapists regularly, and a CMHC liaison person is in regular contact with school staff regarding new referrals.

Although there is no hard data yet to prove the cost-effectiveness of the program, participants from both the CMHC and the LEA agree that total costs are probably one-half to one-third of the costs for residential or private day treatment facilities.

Officials in each of the three participating sites expressed positive reactions to their joint projects. In each site, administrators believe that most of the children being served in these new joint programs would otherwise remain on a waiting list for residential placement. Instead, these children are receiving intensive psychotherapy and other mental health services in their home communities.

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APPENDIX G

STATE PROMOTION OF LOCAL JOINT FUNDING FOR VOCATIONAL PROGRAMS

MASSACHUSETTS

STATE PROMOTION OF LOCAL JOINT FUNDING FOR VOCATIONAL PROGRAMS

MASSACHUSETTS

SUMMARY

In 1980, the Massachusetts Department of Education made forty awards to local districts to help them establish local three-year joint programs to promote vocational services for handicapped students at the secondary level. A competitive bidding process was used to stimulate collaboration at the local level for handicapped students with vocational needs. One of the requirements for the award was that the local program must use both special education funds and Vocational Education entitlement funds.

As a result of this seed money, local projects were initiated, most of which continue to operate. One such effective program, the Cape Cod Regional Technical High School, is described as an example of the effect of the state seed money.

DEVELOPMENT AND PURPOSE OF SEED MONEY

In 1978, the Associate Commissioners of the Division of Special Education and the Director of the Division of Occupational Education began discussions on the need for expanded vocational services for handicapped students. They attended a conference in Washington, D.C., designed to help state administrators collaborate to provide vocational services. Following this, the officials decided to use their special education and vocational education discretionary funds as seed money to encourage collaborative efforts at the local level.

Because this seed money was discretionary funding, they used a competitive bidding process to distribute it. The Division of Special Education agreed to provide $6.2 million from its discretionary P.L. 94-142 funds and the Division of Vocational Education put up $3.2 million from its P.L. 94-482 funds over a five-year period. Because each agency had to maintain independent fiscal accountability, these two sums were not pooled physically.

An RFP was issued jointly by the two divisions and sent to all local education agencies through the six Regional Education Centers. Local applications were to increase vocational services for handicapped students and had to use Vocational Education (110-A) funds. The regional centers reviewed and ranked each application returned to them, and the two state divisions made the final selection based on the regional recommendations.

IMPLEMENTATION

In 1979-80, forty-one local projects were funded at a total cost to the two divisions of $3.2 million. Individual projects ranged from $8,000 to $150,000. In 1980-81, the same forty-one projects were refunded, plus five new ones added for a total cost of $3.0 million. 1981-82 was the last year of the funding cycle and totaled $2.9 million for 40 projects.

Because funds from the two divisions each carry different requirements, the awards were made in two separate amounts. For example, local districts can use the Vocational Education funds to purchase equipment, a use they cannot make of special education funds, according to state law.

At the same time the grant awards were made, the Division of Special Education and the Division of Vocational Education also used their discretionary monies to develop an in-service training program for vocational services to handicapped students and to develop vocational assessment instruments. The Division of Vocational Education paid for in-service training during the first year, and the Division of Special Education funded the second year. In all, some 4,000 in-service days were provided to 3,500 local school personnel through the state.

EFFECTS

An interim evaluation conducted by the Division of Special Education in 1981 found the following breakdown of the 46 on-going local projects:

- Thirty projects planned to continue their operation by replacing the state funds with local funds;
- Seven projects were still receiving state seed money; and
- Nine projects were terminated because of their inability to substitute local funds as Proposition 2 1/2 decreased the amount of property taxes for education that could be levied.

One of the successful programs that was developed in response to the RFP process, and is still in operation today using local funds, is the Cape Cod Regional Technical High School. Local special education and vocational education administrators responded to the RFP with a comprehensive plan designed to fulfill the following objectives on a collaborative basis:

- To initiate long-range planning for handicapped youth which includes academic, vocational and post high-school objectives;
- To provide as many vocational options as possible to special needs students within a flexible environment which permits smooth transition between regular and special settings and which permits students to participate in regular settings as much as possible;
- To actively seek liaison with outside non-education agencies to coordinate work with handicapped adolescents.

The Cape Cod Regional Technical High School is part of Massachusetts' regional vocational educational network. Since receiving the state seed money, staff from the school have worked cooperatively with the Superintendents and Special Education Directors in the seven districts covered by the school to extend a full range of pre-vocational, vocational assessment, and vocational education programs for handicapped children (known as children with special needs in Massachusetts.) Nearly 25 percent of the students in Cape Cod Technical's regular vocational program have been identified as Special Needs students under Massachusetts State law, Chapter 766. Any handicapped child is a candidate for the program, but primary focus is on students in the eighth grade or above. One official describes the target populaton as "kids who would otherwise sit in a resource room and collect a diploma but with no saleable skills."

In addition, the school and its Regional Advisory Committee have developed two programs which have been designed to extend vocational education programs to the more severly handicapped school-age and adult population: "The Workplace" is an extended day program that provides concentrated skills training in specific occupational clusters; placement and supervision in job training slots; and job placement. The second special program, the Assessment Center, works with local regular and special education staff to perform comprehensive vocational assessments for all students identified as special needs or where there is some evidence of handicap. These assessments, normally performed before students enter the eighth grade, are used (1) to identify appropriate vocational education programs for handicapped students as the basis for comprehensive long-range planning, and (2) to help education and other related services professionals adapt their services to capitalize on the handicapped students' identified strengths.

Prior to the opening of Cape Cod Technical High School, and the joint program developed in response to the state RFP, there was no vocational educational program available to handicapped students on the eastern end of the Cape. With limited employment opportunities available in the area, handicapped students were at a particular disadvantage. The small, rural school districts had limited staff and financial resources to develop special programs. The availability of funds through the State RFP were used by Tech staff, not only to extend their capacity to serve more severely handicapped students, but also to build a collaborative approach to serving this population. A primary result of Tech's comprehensive approach to the special needs population on the Cape has been the development of strong collaboration among all local agencies serving the handicapped in the area, including the Massachusetts Rehabilitation Commission, the Department of Mental Health, the Department of Youth Services, and probation departments.

Without the seed money from the SEA, local officials maintain that they would not have been able to afford the initiation of this special program. As of September 1982, the three-year state grant of approximately $95,000 each year had ended. Since that time, these funds have been picked up by public and private tuition monies and the local private industry council.

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APPENDIX H

STATE LEGISLATION

CALIFORNIA

STATE LEGISLATION

CALIFORNIA

SUMMARY

The California legislature passed two bills in 1980 and one in 1982 which were designed to provide a single plan for all relevant state agencies to facilitate effective use of fiscal resources across agencies and to maximize the use of federal and state monies available for handicapped children.

The Joint Funding for Education of Handicapped Children Act of 1980 required eight state agencies to develop a plan that would identify legislative obstacles to effective interagency collaboration and propose waivers that would facilitate cross-agency use of fiscal resources. The Education and Services for Handicapped Children Act, also passed in 1980, required that interagency agreements be developed which would assign fiscal responsibilities among various agencies. Enforcement authority was vested in a higher level of state government, the Department of Finance.

DEVELOPMENT AND PURPOSE OF LEGISLATION

During the 1980 California legislative session, two major bills were passed expressly for the purpose of achieving interagency collaboration for handicapped children. A third bill reiterating the need for interagency collaboration became effective in 1983. The legislature sought to improve cross-agency service continuity and avoid overlaps and conflicts in service jurisdiction. The legislature recognized that, under existing California law, no program yet had existed that either coordinated the various federal and state monies available for handicapped children nor maximized the use of these funds.

Because California had been cited by the federal government as out of compliance with P.L. 94-142, both original bills focused on the financial responsibilities of various state agencies. These compliance problems resulted from funding problems associated with the use of California Children's Services (CCS). Although CCS originally agreed to provide both occupational and physical therapy to handicapped children when these are medically necessary, it was unclear whether both should be classified as either medical services or education and related services when they were not medically necessary but specified in an IEP. Consequently, because their financial responsibilities were unclear, neither the education agencies nor the CCS was willing to pay for these non-medical services. Wanting to assure their continued receipt of federal funding -- a necessity to incrementally implement their Master Plan for Special Education which was then falling behind schedule -- the legislature recognized that this lack of cooperation among state agencies was jeopardizing the receipt of federal funds. In fact, in 1978 the CCS's situation jeopardized $72 million in federal funds. In addition, potential problems with children in state hospitals and those registered with the Regional Centers for the developmentally disabled were thought to further jeopardize receipt of any federal funds. The legislature therefore intended to resolve interagency matters as expeditiously as possible and chose legislation as the means to do so.

As well as dealing with financing problems, the legislature sought to create a single line of responsibility, as required in P.L. 94-142, the absence of which, prior to 1981, had led to non-compliance problems. The State Department of Education had been charged with prescribing health services when it told the California Children's Services (CCS) Program what services a child needed. At the same time, CCS was charged with failing to provide or pay for services they previously had both provided and paid for because of the SEA's single state agency responsibility.

During this same period, the California Joint Legislative Audit Committe issued a 1980 report that concluded that this state's interagency agreements were weak, rarely specifying costs and failing to ensure that the most favorable sources of federal financing were secured. For example, the Audit Committee found that education agencies could, but did not, use other sources of funds, like Medicaid, to provide services to handicapped children. Moreover, agreements then in place were not binding and were unenforceable by the SEA, despite its supervisory responsibilities under P.L. 94-142. This Committee identified two problems needing correction: (1) the SEA's limited state statutory authority for implementing its supervisory responsibilities under P.L. 94-142, and (2) the absence of a statutorily prescribed mechanism for resolving interagency disputes over providing and financing handicapped students' services.

The legislature used this report to develop their bills. Although the SEA supported this legislation and helped in its drafting, the SEA did not sponsor the two bills. They are described, in turn, below.

1. The Joint Funding for Education of Handicapped Children Act of 1980. This bill, (formerly AB 2394), was passed on February 20, 1980, by the California Assembly and incorporated into the Education Code (Chapter 9, Sections 56875-85). The Act requires that all agencies develop one plan to both identify legislative obstacles to effective interagency collaboration and propose waivers that would facilitate cross-agency use of fiscal resources.

The following state departments and councils were required to submit a joint plan to the legislature:

- Department of Education
- Department of Health Services
- Department of Mental Health
- Department of Rehabilitation
- Department of Social Services
- Department of Youth Authority
- Employment Development Department
- State Council on Developmental Disabilities
- Department of Developmental Services

The consolidated plan is to list federal and state laws and regulations for which waivers could be granted that would maximize LEAs' use of federal funds without decreasing the funds available to other agencies. The Department of Education was then mandated to both establish procedures for obtaining these federal funds and apply for the necessary federal waivers. Potential federal funding sources identified in the law include Part B, Education of the Handicapped Act, Medicaid, EPSDT, Developmental Disabilities Services, Title XX, Crippled Children's Services, Vocational Education, Maternal and Child Health Services and SSI. Each state agency would likewise grant its own waivers of state law as necessary.

According to this plan the Department of Education is to issue guidelines to LEAs that identify sources of funds available under federal and state programs for which LEAs are eligible. The guidelines will also list all statutes and regulations under the jurisdictions of the above departments that are applicable to programs for handicapped children. LEAs would then be in a better position to both maximize their use of federal funds and coordinate services from multiple state agencies. In this same plan, the Department of Finance is given the authority to ascertain the amount of funds, if any, that should be transferred between state agencies in order to achieve the purposes of the Act. Any savings that may accrue due to maximized use of federal funds will be used to meet the full mandate of P.L. 94-142.

The law also provides for several review stages. The Department of Finance, viewed as a neutral agency without any vested interest in any one department, will evaluate the above funding procedures. The Joint Legislative Budget Committee will then review the evaluation. The Office of Planning and Research, an umbrella unit within the Governor's Office, will establish procedures for the development and review of the plan.

2. The Education and Services for Handicapped Children Act (SB 1616). This second bill was passed by a majority vote in the California Senate on February 28, 1980, and incorporated into Part 30 of the Education Code as Chapter 4.7, Sections 56475-76 and as Chapter 24 of the California Government Code. This act requires that written interagency agreements assign fiscal responsibilities for providing special education and related services. Most importantly, the act provides for a review process at a higher level of state government than the SEA when any agency fails to meet its financial obligations to handicapped children. The act also specifies that the Superintendent of Public Instruction and the directors of the following departments develop written agreements that specify fiscal responsibilities:

- Department of Health Services
- Department of Mental Health
- Department of Developmental Services
- Department of Social Services
- Department of Rehabilitation
- Department of Youth Authority
- Employment Development Department

If any of these agencies fail to provide a service that is specified in a child's IEP or when federal or state statute or interagency agreements require the agency to provide this service, the secretary of the agency involved is to receive a report within 15 days after the determination that the problem actually exists. If the services are not provided within 60 days, the Director of Finance may take appropriate action, including terminating or reducing state funds. In addition, the law stipulates that any agency providing services to handicapped children must obtain prior approval from the Department of Finance before reducing or eliminating such services.

In another section of the act, state agencies must report disapproved federal funds that result from deficiencies, as well as plans for correcting these deficiencies. When any state agency receives a disapproval for a request for federal funds, the state agency must notify, within 15 days of receipt, the Department of Finance, the Office of Planning and Research within the Governor's office, and the Joint Legislative Budget committee. This notification must: identify the federal program and the federal administering agency for which the application was not approved; estimate the amount of funds affected; give reasons for the disapproval; and describe actions by other state or local agencies which may have affected the disapproval. The Joint Budget Committee then distributes this information to each of the appropriate legislative policy and fiscal committees within 10 days of its receipt of notification. Within 30 days, the state agency must submit a plan for "fostering expeditious receipt of the affected federal funds and for resolving any disagreement or lack or coordination among state or local agencies which has interferred with federal agency approval."

IMPLEMENTATION OF LEGISLATION

Neither of these two bills has been operationalized to date. The Executive Secretary and Chief of Staff of the Governor's office convened a steering committee in the summer of 1981 to begin implementing AB 2394. The committee included representatives from the SEA, the Health and Welfare Agency, and the Office of Planning and Research, and other state organizations. However, since the Executive Committee central to the operation of AB 2394 had never been established, the steering committee made little progress.

As of the summer of 1983, the SEA is waiting for a directive from the Office of Program and Evaluation within the Governor's Office to constitute the Executive Committee. Because a new governor was elected in 1982 and because a Director of the Office of Program and Evaluation has not been appointed, these pieces of legislation have not been implemented. The SEA is waiting for the Office of Program and Evaluation to send out a letter appointing the existing state interagency task team to act as an advisory committee to the overall Executive Committee noted in AB 2394.

The second bill, SB 1616, has never been tested because there has only been one complaint filed and that was resolved before reaching the Department of Finance stage. A second complaint is also currently being resolved at the SEA level.

Both involved disputes over related services provided by California Children's Services vs. those provided by education agencies.

EFFECTS OF LEGISLATION

Because the legislation has yet to be implemented, it is too early to determine its effects. Several people have speculated about these effects, however. Some contend that the impact will be negligible because the legislature cannot force cooperation through such legislative tactics. Some also believe that the legislation is naive in its scope, and does not take into account the enormous complexities involved in implementation. Others disagree, believing that because of these two pieces of legislation, agencies have begun to negotiate with each other. SEA officials note that, if nothing else, the threat of the legislation makes other agencies more aware of the need for financial collaboration.

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APPENDIX I

STATE COORDINATING COMMITTEE ON SERVICES TO HANDICAPPED CHILDREN

MARYLAND

THE STATE COORDINATING COMMITTEE ON SERVICES TO HANDICAPPED CHILDREN

MARYLAND

SUMMARY

The Maryland legislature and Governor established a state committee to coordinate service delivery and financing for handicapped children placed in residential settings. Like other interagency committees, Maryland's State Coordinating Committee on Services to Handicapped Children was created to address issues of interagency financing and service delivery, and is the major force in a sustained attempt to develop interagency collaboration state-wide. In the short term, the Committee has effectively clarified cross-agency responsibilities and established policies that govern out-of-district placements. In the long term, the Committee has developed a framework that addresses issues dealing with interagency financing of services to handicapped children. Although this new framework has yet to be implemented, plans currently being readied are among the most innovative encountered. For this reason, this review details both this framework and Maryland's interagency approach.

DEVELOPMENT AND PURPOSE OF THE COMMITTEE

The origins of Maryland's efforts at interagency coordination began in 1974-1975, when the Governor and the Maryland General Assembly recognized that handicapped children often have multiple service needs which cannot always be met by any one agency. They became both alarmed at the rising costs of non-public residential placements and concerned with serving children in out-of-state programs. In part, the legislature's concern resulted from their anticipation of having to implement P.L. 94-142, as well as their attempts to carry out Maryland's 1973 state special education mandate.

Responding to the legislature's concerns, the Governor appointed Richard Schifter, then President of the Maryland State Board of Education, to head the Commission on Funding the Education of Handicapped Children that was to develop recommendations. The Commission's initial report resulted in the General Assembly's 1976 enactment of Chapter 240 of the Acts of the General Assembly of Maryland, which established a six-year funding formula mandating minimum amounts to be provided by the state and counties. Subsequently, the Commission turned its attention to the provision of special education and related services to those children served in residential facilities, private schools, and other state agency facilities. The Commission recognized that the state had not yet addressed either the needs of these children nor the necessity to develop a uniform approach to cross-agency service delivery.

In its 1977 second report to the Governor, the Commissioner recommended ways to improve the coordination of services to handicapped students. One of its recommendations, subsequently acted upon, was the creation of a State Coordinating Committee (SCC) made up of members from the

Departments of Health and Mental Hygiene, Education, and Human Resources. The Commission believed that state-level coordination of departmental activities was a necessary prerequisite to improve local-level service linkages. The SCC subsequently has remained committed to interagency collaboration, believing that each department offers much needed expertise in different areas. The SCC also has recognized that children's needs cut across departments, which are only units organized by a bureaucracy to handle administrative functions.

Following the Schifter Commission's recommendations, Acting Governor Blair Lee issued a June 1978 Executive Order (01.01.1979.17) that established the State Coordinating Committee. The Committee was made up of one representative from the State Deaprtment of Budget and Fiscal Planning, two from the Governor's Office, and three each from the SEA, the Department of Health and Mental Hygiene, and the Department of Human Resources. Because the Assistant Secretaries and the Assistant Superintendent sit on the State Coordinating Committee, high level policy decisions can be made.

IMPLEMENTATION

One of the first major committee activities involved joint planning among member agencies. Although this task appears very basic and would seem relatively simple, it rarely occurs among state agencies, unless prompted by a higher agency such as the Governor's office. One example of such a joint planning activity was a study that member agencies conducted of handicapped children's out-of-state placements. The committee reviewed the out-of-state placement policies of the Departments of Health and Mental Hygiene, Education and Human Resources, departments with authority to place children in out-of-state private facilities.

As part of this study, Governor Hughes asked the Committee to investigate the feasibility of establishing a new state residential facility for children who had been placed out-of-state. A team of people, who combined substantive program knowledge with physical plant expertise, visited vacant buildings in Maryland to assess the feasibility of renovations.[1] After numerous such visits and several meetings, the team recommended that attention should be turned to ways to prevent new out-of-state placements instead of returning children who already had been placed out-of-state. This decision, later adopted by the full committee, evolved from careful study of both economic issues and a belief that any new residential facility may violate the least restrictive environment principle.

The areas in which the Committee has conducted joint planning activities include: (1) interagency service delivery and; (2) financing arrangements for handicapped children placed in residential facilities. These two areas are described below:

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[1] This team was made up of the Director of Special Education, the Assistant Commissioners of the Departments of Human Resources and Health and Mental Hygiene, representatives of the Department of Juvenile Services, two architects from the Department of State Planning and the General Services Administration and one budget officer.

1. Interagency Service Delivery: In order to operationalize the coordination of field services, the Schifter Commission had recommended that a centralized staff, rather than three different staffs from three different departments, provide back up, supervision, and leadership. The Commission further recommended that the SEA assume this responsibility. The SCC's first job was to inform the Governor as to the feasibility of a centralized staff under the SEA, as well as to develop its own recommendations about providing in-state services to children who had been placed out-of-state.

In its first report to the Governor, dated December 6, 1979, the State Coordinating Committee urged the implementation of most of the Commission's recommendations: the Committee developed a placement process for residential facilities that went beyond the already existing procedures carried out by the local Admission, Review and Dismissal (ARD) Committees. Maryland had instituted these ARD Committees in the mid-1970's to oversee the placement of all handicapped children. They are comprised of LEA representatives, usually special education personnel and school psychologists, as well as representatives from county social services and community mental health agencies. By encouraging interagency decision-making, the members of these local committees hope to ensure that eligible children will be placed in appropriate settings.

The SCC sought to strengthen the local ARD committees' ability to coordinate services for children who were to be placed in residential facilities because local ARD procedures had been written only into the SEA regulations. Because the Departments of Health and Mental Hygiene (DHMH) and Human Resources (DHR) had no such mandate, and because DHMH and DHR often are involved in these placements, the SCC wanted to ensure joint, rather than unilateral, decision-making.

The SCC therefore recommended the following:

- The ARD will automatically refer any child recommended for residential placement to a new local committee, the Local Coordinating Committee (LCC). This committee will include the directors of the special education division of the LEA, the county Department of Health and Mental Hygiene, and the County Department of Human Resources. The LCC reviews residential placement recommendations to ensure both that all three local agencies share in the decision and that, preceeding this recommendation, the appropriate local resources have been exhausted.

- If the LCC finds that both steps have been taken, recommendations are then forwarded to the state agency of record, the agency that was the child's original point of entry. However, the agency of record status can be changed if it becomes clear that another agency should have jurisdiction over the case.

- Upon receiving the LCC's recommendation, the agency of record will continue to ensure that all local options have been tested, and may request that the LCC explore previously overlooked local placement possibilities. The agency of record then recommends residential placement to the State Coordinating Committee, if and when it is satisfied that this placement is appropriate.

- The SCC also ensures that all prior steps have been documented adequately. If it is in agreement with the recommendation, it then authorizes the residential placement, thereby automatically triggering the flow of funds from a common funding pool (described below).

- The SCC also ensures that the LCCs maintain an Aftercare Program which would help reintegrate children into their home school district after they have been released from an institution.

At one time, the SCC also considered recommending the creation of an Interagency Appeals Board with jurisdiction over all appeals of LCC decisions regarding a child's need for multi-agency residential services. However, the Committee now feels a single appeals process may violate some due process protections, and thus is exploring separate appeal procedures for each agency.

2. Interagency Financial Responsibilities: Along with its other recommendations, the SCC reviewed solutions to policy problems involving financing out-of-district residential placements, an area associated with major funding inequities. For instance, if a child was placed in a private facility, the LEA was responsible for funding costs up to a level equal to three times the amount of educating a non-handicapped child in that district, with the SEA assuming the remainder of the costs. However, if a child was placed in either a state institution or a program funded by the Departments of Health and Mental Hygiene or Human Resources, the state would pay 100% of the educational costs. The SCC initially was concerned that these funding provisions encouraged LEAs to place children in either state institutions or other state-funded programs, rather than in private

facilities, since LEAs would not have to pay. However, this appears not to have occurred. Instead, the number of children placed in state-operated programs actually has declined over the past few years, while private school placements have risen.

The Committee also recognized that the funding responsibilities of the three state agencies with primary responsibility for handicapped children needed clarification. To this end, the SCC suggested that a common funding pool be established to take care of all non-public residential placements within or outside of the state. The SCC hoped that this recommendation would eliminate any inter-departmental disagreements about out-of-state placement funding. This common pool also was viewed as the best way to both end the continuing debate about each agency's financial responsibilities and provide the needed funds to purchase basic care, social and educational services, and health care. A uniform rate and fee structure also was to be created at the state level for the purchase of non-public residential care.

While the funding pool has not yet been established, its design -- even in the conceptual stages -- is instructive. Initially, the funding pool is to be established using each agency's existing State Appropriation Accounts, from which a portion would be transferred each quarter to one or more Source Drawing Accounts. Eventually, an independent appropriation account may be created for the pool. This account would draw down state monies directly, as opposed to passing through state agency accounts. Use of existing appropriation accounts is thought to be a more politically acceptable means of starting this pool. The funding pool will allow each department to plan ahead for five years since it will have committed a fixed level of resources for purposes of financing out-of-state placements. With this information, each agency will be in a more secure financial position because no one agency will incur large unexpected costs. The Committee intends to have a neutral state agency, possibly headed by the State Comptroller, administer the funding pool. This state agency will act as a "service bureau" for the program agencies, while the Committee retains authority for programmatic decisions.

Budgeting for the funding pool would involve three steps:

- First, the number of expected out-of-state placements and their costs would be estimated.

- Second, an equitable cost allocation algorithm would be developed to distribute total costs among the three agencies. At the beginning of each fiscal year, a fixed amount of funds from each department would be earmarked according to a formula for private residential placements. Either the Department of Budget and Fiscal Planning or the state comptroller would identify an amount of money available to each department yearly for out-of-state placements. Any restrictions on the use of agency funds, such as when DHR disallows any appropriations for medical care, would be accounted for in the algorithm.

- Third, funds would be transferred to the Source Drawing Accounts and would be used as follows. If DHR contributed, for example, 30% of the pooled funds, DHMH 20%, and education 50%, funds for a given placement would be drawn according to those percentages. Thus, if a placement was made

> costing $30,000, 30% would come from DHR funds in the pool, 20% from DHMH fund, and 50% from SEA funds. In this way, all funds would be depleted simultaneously, thereby avoiding much interagency controversy and minimizing the likelihood of financial concerns shaping policies. To the extent contributions exceed expenditures at year-end, each of the three departments would receive proportional repayments.

While the Committee was creating this funding pool, the Joint Task Force for Negotiated Rates for Purchase of Children's Residential Services recommended that Maryland change its maximum allowable rate structure to a prospective cost reimbursement system. The task force also recommended that an independent Rate Setting Board be established, a recommendation the SCC hopes to implement shortly. The Committee is also exploring options for establishing a uniform fee setting and collection policy.

As its first step in implementing the service delivery and financial plans described above, the SCC commissioned a feasibility study from the Education Turnkey Systems to investigate implementation costs and the necessary legislative and regulatory changes. This study issued recommendations about the structures and jurisdictions of the SCC and the LCCs and unveiled both detailed plans for local-level case management functions as well as funding pool specifications.[2] Implementation was to begin by means of FY 1982 budget amendments. However, these plans were postponed in anticipation of sharp reductions in state-agency funds. At present, the SCC awaits an executive order from the Governor to begin operating the new system.

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[2] Education Turnkey Systems, "Program Policy and Financial Analysis for Improved Services to Handicapped Children," September, 1981.

As noted by the SCC, additional causes for delay can be attributed to reluctance on the part of some agency staff to deal with the degree of change required to implement these plans. As the Director of Special Education noted, "It will not be business as usual." However, the SCC has been able to minimize reluctance by both assuring agency staff that they will have sufficient lead time to implement these plans and by focusing principally on residential placements. In the future, the SCC hopes to expand its interagency planning and programming to other areas, but now is maintaining its initial focus on out-of-state placements so as to develop credibility before broadening its scope.

EFFECTS OF THE COMMITTEE'S WORK

Because the above plans have not yet been operationalized, it is impossible to measure the SCC's effectiveness. It is possible, however, to comment on the apparent advantages of Maryland's approach. Overall, Maryland's attempt to promote interagency cooperation is unique because of the series of increasingly sophisticated recommendations they have developed on interagency financing and service delivery. From the start, the goal of these recommendations was to unify control over expenditures to benefit handicapped children and their families and enhance fiscal control among state agencies. These recommendations have the support of the State legislature, the Governor's Office, and the Secretaries of the three major human service departments.

The importance of the support from general purpose state government officials in Maryland's interagency effort must be emphasized. Services for handicapped children have commanded attention from authorities above the agency level, as evidenced by the Governor's initial appointment of the Schifter Commission, and various activities undertaken by both the Governor's Office and the Office of the Budget. These high level activities have been instrumental in both assuring that, over a six-year period, attention has been focused on interagency issues and giving the SCC authority it would otherwise not have.

The innovative nature of the most recent Maryland proposals is noteworthy. The SCC ensures that the relevant state agencies collectively work out residential placements. Their proposals go beyond coordination to integration of financing and function. Fiscally, the implementation of these plans will allow the three agencies to exert greater control over their own budgets.

Although these plans have yet to be implemented, they remain goals for which both the SEA and allied human service agencies aim. To our knowledge, assuring collective financial responsibility among agencies has not been attempted elsewhere, and represents a significant new direction in the coming years for special education financing.

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APPENDIX J

AGREEMENT BETWEEN THE DEPARTMENT OF EDUCATION AND THE DEPARTMENT OF SOCIAL SERVICES

COLORADO

AGREEMENT BETWEEN THE DEPARTMENT OF EDUCATION AND THE DEPARTMENT OF SOCIAL SERVICES

COLORADO

SUMMARY

The Colorado Department of Education entered into an agreement with the Department of Social Services to establish joint placement, funding, and monitoring procedures for children placed in residential facilities. These facilities include public and private foster care, group care homes, and residential child care facilities. The two departments agreed to: (1) jointly develop IEP's and secure appropriate placements for handicapped children who may need outside-the-home care; (2) jointly assess and evaluate placements and report to the court on the need for placement and to ensure that the placement is in the least restrictive environment; and (3) jointly finance such placements as follows: the LEA pays for all special education and related services identified in the IEP, while the local Department of Social Services pays for all care and maintenance costs associated with the placement, regardless of which agency has referred the child. The agreement further stipulates that the county department of social services must notify the LEA within 30 days prior to any placement change.

The agreement has been particularly effective because it was developed with the active participation of local agencies. The SEA and State Department of Social Services invited all local directors of special education and county social service directors to participate in a meeting to draft the agreement. This developmental procedure was pursued because state officials belive that the active participation of local officials is the only way to avoid resistance in a state with strong local autonomy.

DEVELOPMENT AND PURPOSE OF THIS AGREEMENT

Colorado licenses all out-of-home residential facilities (including foster care and group care homes, private residential schools, and institutions) as Residential Child Care Facilities (RCCF's). The Department of Social Services is responsible for these facilities' programs and traditionally has paid for costs incurred there by delinquent, mentally retarded, and developmentally disabled children, as well as by children in foster care. Recognizing its responsibility for the education of these children under its own state law as well as P.L. 94-142, the State Department of Education developed an interagency agreement with the Department of Social Services that set parameters for joint placement decisions, funding, and monitoring of RCCF programs.

Traditionally, the Department of Education is responsible for assuring a free appropriate public education to all children, and supervising all educational programs maintained and operated by other state agencies. The Department of Social Services safeguards the rights of dependent children and provides necessary out-of-home placements. Rather than continuing to separately perform these functions, the two departments agreed to: (1) jointly develop IEP's and secure appropriate placements for handicapped children who may need outside-the-home care; (2) jointly assess and evaluate placements and report to the court on the need for placement and to ensure that the placement is in the least restrictive environment; and (3) jointly finance such placements as follows: the LEA pays for all special education and related services identified in the IEP, while the local Department of Social Services pays for all care and maintenance costs associated with the placement, regardless of which agency has referred the child. The agreement further stipulates that the county department of social services must notify the LEA within 30 days prior to any placement change.

Development of the agreement was both laborious and lengthy. After state level efforts failed, representatives from the two agencies agreed that the only way to achieve true collaboration was to involve local directors. State officials believed that the only way to avoid operational resistance, especially in a state with strong local autonomy, is to ensure that, from the beginning, all relevant actors, including local officials, participate. If they are excluded, real change is likely to occur slowly, if at all.

Consequently, in 1980, the Department of Education convened a two and one-half day workshop in Denver that brought together each of the 63 county social service directors, RCCF directors, and the 50 local special education directors. The purpose of the meeting was to generate a list of issues that local directors identified as the most critical factors to both promote effective collaboration and identify the two departments' roles.

Participants were asked, for example, to list the five most pressing problems they encountered when dealing with the other agency about placement, monitoring, providing a continuum of services, and funding. During this meeting, conferees expressed concern that placements often were based on availability and convenience rather than on children's needs. Participants also noted that a local survey of available services also would be extremely helpful.

One result of the meeting was the recognition that social services and special education directors shared several common concerns. For example, both believed that local settings are preferable for children. They also found that the individual care plans each developed were quite similar. That the department shared common concerns helped provide impetus for participants to collaborate. Most believed that adequate access to services can be achieved only by crossing agency lines -- a task that requires recognizing areas of common concerns and improving interagency communication. Yet, this belief conflicted with reality: Conference participants generally agreed that service delivery fragmentation was rampant and the need for some community interagency process directed toward placement decisions was essential.

At the close of the workshop, a steering committee was appointed to draft the agreement. This committee, composed of one county social services director and one local special education director for each of the five issue areas identified during the workshop, met eight times between September 1980 and June 1981 and drafted an agreement, circulated it to all local directors, and revised the draft according to comments. On June 17, 1981, both the Commissioner of Education and the Executive Director of Social Services signed the agreement and forwarded it to their respective local directors. This act completed the first phase, that of policy development: implementation, perhaps a more difficult phase, could proceed.

IMPLEMENTATION

After distributing copies of the agreement to each local social service and special education director, the State Departments of Education and Social Services each met with their respective local affiliates to further explain its content. The agreement was meant to be a framework for response; the more detailed implementation questions remained to be resolved. The Department of Education compiled a list of more specific questions generated by local social services and special education directors concerning procedural matters. These questions ranged from the most theoretical, "Who is Social Services and what do they do?" to the most detailed, as illustrated in the following questions:

- What are the appropriate procedures for multi-district counties?
- Can Social Services give permission for assessments?
- What happens when court orders conflict with an IEP?
- Who pays for staffing meetings?
- Does the district of jurisdiction (i.e., home school) have a voice in continuing placement in an RCCF for children already so placed?
- Does Social Services pay if a child is being moved to an RCCF solely for education reasons?
- How are records transferred between agencies?

The Department of Education prepared responses to these and other questions for which they called a two day meeting of all local special education and social service directors in Denver in November, 1981. The Department of Social Services paid for this meeting, the Department of Education having paid for the first. Panels of state social service and education staff answered these questions, elicited further questions, and asked participants whether they preferred a rate structure by type of facility, severity of the handicapping condition or services identified in the IEP. A manual of guidelines then was prepared.

In addition to working out the two agencies' roles, one of the primary objectives of both meetings was to facilitate personal contact among local directors. The state Department of Education believed that informal cooperation is a significant component of any effective collaboration among agencies. Because these officials had never met each other, these meetings provided a forum within which both agencies could discuss problems. They also allowed RCCF directors to meet their referral sources in-person. One of this meeting's long-term goals was to enable those local officials to pick up the phone and talk to each other whenever a problem arose.

EFFECTS OF THE AGREEMENT

The effects of Colorado's agreement has been favorable in localities. State officials are also impressed with the degree of collaboration achieved at the state level. Several details still need to be worked out however. For example, Colorado's interagency agreement recognizes, but has not yet been able to resolve, the problem that results from fees being charged for social, but not educational, services. When a child is placed outside the home, courts sometimes obligate parents to pay certain fees. Yet, P.L. 94-142 clearly forbids charging for educational services. The local school district responsible for educating a given child must assume any court ordered fees for those educational services outlined in the IEP. However, P.L. 94-142 is silent about fees for social services. Thus parents may be charged for certain kinds of social services as well as for voluntary placements. This discrepancy still concerns state level personnel who are trying to resolve potential problems before they occur at the local level.

Another area where further work is needed is the development of standards. The two state agencies are just beginning to develop joint standards for out-of-home placements. Until they are established, both have agreed to accept standards used by the Department of Social Services. (See also Volume 4: "Policies Which Address Out-of-District Placements and Assure Education in the Least Restrictive Envionment" for a discussion of Colorado's legislation to reduce residential placements.)

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APPENDIX K

CENTRALIZED INFORMATION REGISTRY

UTAH

CENTRALIZED INFORMATION REGISTRY

UTAH

SUMMARY

Utah, which has established an interagency committee made up of representatives from the SEA and the Departments of Social Services and Health, has gone beyond its committee structure with plans for an integrated information system common to all agencies serving handicapped children. Although still in its formative stages, the plan calls for a computerized system of information which will include data from and remain accessible by each of the participating agencies. These plans are based on the conviction by committee members that meaningful interagency collaboration can only occur when a common information base is available. Committee members view such a system as a vehicle for "a common language," which is a prerequisite to formal and informal negotiations.

DEVELOPMENT AND PURPOSE OF THE REGISTRY

In combination with the Departments of Health and Social Services, Utah currently is planning to develop and implement a statewide computerized informaton registry on handicapped children and adults. This effort evolved from the conviction among state officials that effective interagency collaboration can occur only when a common information base is available. Because Social Services, Health and Education each currently stores data separately, multiple providers often serve the same child without knowing they do so. Information is either not transferred, or transferred in a form that is of little use to other agencies. To remedy this situation, plans are underway to develop a single computerized registry from which each agency's data can be accessed. This system will aggregate data now maintained separately by the Departments of Social Services, Education, and Health. Other departments will be added as the system becomes operational.

This registry is being designed to serve two functions. First, aggregating cross-agency information will allow officials to develop a more accurate and comprehensive statistical portrait than currently is available of the number of disabled children, relevant characteristics of these children and the services each is receiving. Secondly, each agency's staff will access the registry whenever a client is referred to them to determine the services the child is receiving. Local offices of the state agencies will use remote terminal access to enter the system.

To overcome local agencies' resistance to changing the format by which they record information into one that is common to all agencies, a computer program was developed that automatically converts information from one system into a comprehensive system that all participants can use. To overcome confidentiality problems, a system to regulate information access is being designed. The system as planned will ensure that only those with a legitimate need will have access to confidential information. Parent and client rights to control access will be protected.

Utah's efforts to establish a cross-agency information base is viewed as an indispensable first step to allow the collaboration between different State departments. In fact, using a computer to convert existing information into a single system represents a conceptually simple, but extremely significant, solution to one of the most formidable barriers to interagency collaboration. By allowing the state to utilize information across programs, the registry could be especially useful as federal funds become both more "flexible," and diminish. Because few, if any, states have multiple program based data, state agencies know little about the degree of program overlap or the priorities that should be used to allocate scarce service resources.

Planning efforts to create this integrated registry have been funded by three distinct federal grants. The directors of each of these grants maintain close communication and are members of each other's boards. The Directors of the Departments of Education, Health, and Social Services are suppportive of these three projects and share the goal of developing the single statewide system described above. Because these Directors all have designated the Department of Health to be the central depository of information, they have written a provision into their Health Statistics Act that allows the Department to collect from all agencies information pertaining to the health of citizens in the state.

Funding to develop this registry has come primarily from the federal government. In 1974, an original effort by the

Developmental Disabilities Council to create a centralized information bank failed for two reasons: LEAs were reluctant to assume the necessary paperwork duties and problems of confidentiality information could not be overcome. Since 1978, new efforts have been pursued which seek to overcome these problems. As mentioned previously, these efforts have been financed by three federal grants:

- One grant is from the Bureau of Health services in the Office of Maternal and Child Health, U.S. Department of Health and Human Services. This grant is being used to develop a model of community information transfer among pre-schools, schools, and health agencies.
- The second project, also funded by the Office of Maternal and Child Health in the U.S. Department of Health and Human Services, involves gathering data for a computerized system that evaluates infant development programs.
- The third federal grant is supporting research at Utah State University that compiles information about Utah's disabled population in order to study the effects of the new functional definitions of devlopmentally disabled persons.

The three department heads are now each planning to contribute $25,000 to the project for the first year of operation. However, several Utah officials commented on the importance of the initial federal grants as an impetus for cooperation. When agencies have to plan programs jointly in order to be funded, interagency cooperation -- at least in the short run -- is enhanced.

As of the summer of 1983, the project, still in its developmental phase, is awaiting final approval from the three agency heads. An opinion from the state Attorney General has supported the plan, and the three agency directors are expected to approve the final plan. Once this is achieved, the system will be ready to become operational immediately, as the computer is already programmed and ready to receive data.

EFFECTS OF REGISTRY

Although not yet operational, this registry is expected to facilitate interagency cooperation. First, its very existence will help the SEA carry out its mandate to assure a free appropriate public education to all handicapped children in Utah by increasing the information base that agencies can use when providing services for these children. Secondly, the registry will help local staff improve their service plans since they will be aware of the other services a child is receiving. This knowledge also will guide both LEAs and other local agencies to improve the services they offer handicapped children. Thirdly, state officials believe that this system will result in substantial savings because it will reduce service duplication. Measurement of these effects will, of course, have to occur after the system has been operational for a period of time.

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APPENDIX L

TABLE 1

FEDERALLY-FINANCED PROGRAMS SERVING HANDICAPPED CHILDREN

PROGRAM	PROGRAM DESCRIPTION	ENABLING LEGISLATION	ADMINISTERING AGENCY	BENEFICIARY ELIGIBILITY	APPROPRIATIONS ($ millions)
Community Mental Health Centers (A program under the Alcohol, Drug Abuse and Mental Health Block Grant)	Provides comprehensive community based mental health services to prevent or minimize institutionalization. Services including impatient, outpatient, and emergency mental services; needs assessment of the mentally ill; follow-up care for recently discharged patients of mental health facilities.	Mental Retardation Facilities and Community Mental Health Centers Act of 1963 Title II, P.L. 88-164, as amended; 42 USC 2681.	Federal: National Institute of Mental Health, ADAMHA, PHS, DHHS State: Designated state agency	Chronically mentally ill persons.	FY 78 $269.7 FY 79 $313.7 FY 80 $290.3 FY 81 $272.3 (This program has been funded under the Alcohol, Drug Abuse and Mental Health Block Grant since FY 1982.)
Crippled Children's Services (A program under the Maternal and Child Health Block Grant)	Extends and improves medical and related services to crippled children, and funds special projects to increase services for crippled children. Services may include: locating crippled children, diagnosis, surgery, after care, and the training of professional personnel.	Social Security Act of 1935, Title V, Section 504, P.L. 74-271, as amended; 42 USC 704.	Federal: Public Health Service, DHHS State: State Crippled Children's Agencies	Children under age 21 who are crippled or have a condition that leads to crippling.	FY 78 $ 97.5 FY 79 $102.1 FY 80 $102.1 (This program was folded into the Maternal and Child Health Block Grant in FY 81. See MCH appropriations for FY 81-83 for the block grant appropriations.)
Developmental Disability Program	Creates state planning councils (1) to assess the needs of the developmentally disabled population, (2) to determine service priorities, and (3) to design and coordinate the services provided to the developmentally disabled population. Also establishes a protection and advocacy system in each state to assure the rights of developmentally disabled persons; provides grants to University-	Mental Retardation Facilities and Community Mental Health Centers Act of 1963, Title I, P.L. 88-164, as amended; 42 USC 6061.	Federal: Administration on Developmntal Disabilities, Office of Human Development Services, DHHS. State: Designated state planning council	Persons with a severe, chronic mental or physical impairment which originates before age 22 and results in substantial limitations in major life activities. (No age limitations)	FY 78 $59,125 FY 79 $59,125 FY 80 $62,437 FY 81 $59,431 FY 82 $58,683 FY 83 $60,500

ROGRAM	PROGRAM DESCRIPTION	ENABLING LEGISLATION	ADMINISTERING AGENCY	BENEFICIARY ELIGIBILITY	APPROPRIATIONS ($ millions)
evelopmental Disability Program (Continued)	affiliated facilities to train personnel to serve developmentally disabled persons; and provides grants for projects aimed at improving services to the developmentally disabled.				
ducation of the Handicapped (P.L. 89-313)	Provides specialized programs and services for handicapped children in (a) state operated or state supported schools and (b) local education agency programs if the child left a state agency program to enroll in the local agency programs. Services may include: academic and vocational instruction, health and social services, counseling, assessment, occupational and physical therapy, and recreation.	Elementary and Secondary Education Act of 1965, Title I, Part B, P.L. 89-10, as amended; 20 USC 241 c(a)(5).	Federal: Special Education Programs and Rehabilitation Services Admin., DED. State: State Education Agencies	Handicapped children through age 20 who have not yet completed grade 12.	FY 78 $122 FY 79 $133 FY 80 $144 FY 81 $153 FY 82 $147 FY 83 $147
aternal and Child Health Services (A program under the Maternal and Child Health Block Grant)	Provides preventive health services to children and pregnant women who have limited incomes. The goal is to reduce infant mortality and improve the health of children and mothers so as to reduce the incidence of developmental disabilities.	Social Security Amendments of 1963, Title V, Section 503, P.L. 88-156, as amended; 42 USC 703.	Federal: Bureau of Community Health Services, Health Services Administration, Public Health Service, DHHS State: State health agencies	Infants, children, adolescents, and pregnant women who have low incomes or reside in areas where access to health care is limited.	FY 78 $235.0 FY 79 $243.4 FY 80 $243.4 FY 81 $457.3 FY 82 $373.0 * FY 83 $373.0 *Prior to FY 81, MCH Services were funded as an individual program. Starting in FY 81, the program was folded into a block grant which includes seven other specialized programs.

PROGRAM	PROGRAM DESCRIPTION	ENABLING LEGISLATION	ADMINISTERING AGENCY	BENEFICIARY ELIGIBILITY	APPROPRIATIONS ($ millions)
(Medicaid) Title XIX	Pays for health care and related services for most children and adults receiving AFDC or SSI, and for children and adults who are considered "medically needy" in 29 states (i.e., this is a state option).	Social Security Amendments of 1965, Title XIX, P.L. 89-97, as amended; 42 USC 1396.	Federal: Health Care Financing Administration, DHHS State: State welfare, health or human services agencies	Recipients of AFDC and SSI (15 states have more restrictive income eligibility for SSI recipients, with a "spend down" clause). 30 states cover persons whose income is too high for AFDC or SSI.	FY 78 $10,680 FY 79 $12,407 FY 80 $13,957 FY 81 $16,833 FY 82 $17,394 FY 83 $19,333
(Medicare) Title XVIII	Part A provides hospital insurance protection for covered services to disabled chidren aged 18 and over who receive SSDI. Also provides insurance for disabled adults who receive SSDI and for most people over age 65. Part B provides optional medical insurance at a monthly premium (for physician bills and other categories of medical services).	Social Security Amendments of 1965, Title XVIII, Parts A and B, P.L. 89-97, as amended; 42 USC 1395.	Federal: Health Care Financing Administration, DHHS State: (no state involvement	Disabled children aged 18 and over who receive SSDI (must receive SSDI for 24 months before eligible for Medicare). Also covered (after a 24 mo. [illegible] waiting period) are all disabled adults under age 65 who receive SSDI. Also covered (no waiting period) are all Social Security recipients aged 65 and over, and most people with chronic kidney disease. Persons aged 65 and over who are not eligible for Social Security may obtain Part A coverage at a cost of $113 monthly (7/82-6/83).	FY 78 $25,212 FY 79 $29,148 FY 80 $35,034 FY 81 $42,488 FY 82 $50,444 [illegible] $57,387 (est) (These figures represent outlays, as this program is primarily funded rather than through the appropriations process.)

PROGRAM	PROGRAM DESCRIPTION	ENABLING LEGISLATION	ADMINISTERING AGENCY	BENEFICIARY ELIGIBILITY	APPROPRIATIONS ($ millions)
Social Security Disability Insurance (SSDI)	Provides monthly cash benefits to dependent children of eligible persons, including certain disabled children aged 18 and over. Also provides benefits to covered workers who become disabled and therefore cannot work, as well as to disabled spouses. Benefit amounts are related to the past earnings of the insured worker.	Social Security Amendments of 1956, Title II, Section 202(d), P.L. 84-880, and Amendments of 1958 (P.L. 85-840) and 1960 (P.L. 86-778), as amended; 42 USC 401.	Federal: Social Security Administration, DHHS State: Eligibility is determined by state disability determination services, under contract to the SSA. Benefits are administered by district offices of the SSA.	Disabled children aged 18 and over or retired, deceased or disabled Social Security - eligibles, if the children were permanently disabled before age 22. Also eligible are persons who have worked for a sufficient period under Social Security to be insured and who become physically or mentally impaired; disabled spouses of retired, deceased or disabled social security-eligibles; dependent children of Social Security-eligibles (i.e., unmarried children under age 18, or including age 18 if a full-time student, and eligible grandchidlren). Disability is defined as an inability to participate in substantial gainful employment due to a medically determinable impairment that is expected to last at least 12 months.	FY 78 $12,655 FY 79 $13,944 FY 80 $15,332 FY 81 $16,829 FY 82 $18,035 FY 83 $18,103 (est.) (These figures represent outlays, as this program is funded through a trust fund rather than through the appropriations process.)

PROGRAM	PROGRAM DESCRIPTION	ENABLING LEGISLATION	ADMINISTERING AGENCY	BENEFICIARY ELIGIBILITY	APPROPRIATIONS ($ millions)
Supplemental Security Income (SSI)	Provides monthly cash benefits to disabled and blind children who have limited income and assets (parents are financially liable for minor children living at home). Also provides benefits to disabled, blind and aged adults who have limited income and assets. The maximum monthly SSI benefit is $304 for a single person and $456 for married couples in 1983-84. All but six states currently supplement federal SSI payments.	Social Security Amendments of 1972, Title XVI, Parts A and B, P.L. 92-603, as amended; 42 USC 1381.	Federal: Social Security Administration, DHHS State: Eligibility is determined by state disability determination services, under contract to the SSA. In 23 states, all benefits are administered by district offices of the SSA; the remaining states administer the state supplementation portion through state human services agencies.	Disabled blind and aged persons with limited income and assets. Disability is defined as an inability to engage in any substantial gainful activity due to a medically determined physical or mental impairment that is expected to last, or has lasted, at least 12 months.	FY 78 $5,250 FY 79 $5,557 FY 80 $6,323 FY 81 $7,368 FY 82 $7,772 FY 83 $8,543 (Annual appropriations may reflect 11, 12, or 13 months of payments and thus vary considerably from year to year.)
Title XX Social Services	Provides social services to children and adults on public assistance and other low-income persons. Services must be directed toward: preventing or remedying abuse or neglect of children and adults, achieving or maintaining economic self-sufficiency, providing community based or home based care, or enabling individuals to secure appropriate institutional care when necessary. Many states use some of their	Social Security Amendments of 1956, Title XX, P.L. 87-543, as amended; 42 USC 1397.	Federal: Office of Human Development Services, DHHS State: State Title XX agencies	States determine eligiblity service by service (generally eligibility is limited to persons with income below 115 percent of the state's median income, adjusted for family size.)	FY 78 $2,646 FY 79 $2,908 FY 80 $3,271 FY 81 $2,991 FY 82 $2,400 FY 83 $2,450

PROGRAM	PROGRAM DESCRIPTION	ENABLING LEGISLATION	ADMINISTERING AGENCY	BENEFICIARY ELIGIBILITY	APPROPRIATIONS ($ millions)
Title XX Social Services (Continued)	Title XX funds to provide special services to handicapped persons. Other services may include: day care, information and referral, residential care and treatment, and special services for the blind and disabled.				
Vocational Education	Provides vocational programs for handicapped youth at the secondary education level and beyond. Also serves non-handicapped individuals who desire and need education and training for employment. Ten percent of each state's funds must be expended for special supplementary services for handicapped participants.	Vocational Education Act of 1963, P.L. 88-210, as amended; 20 USC 2301.	Federal: Office of Vocational and Adult Education, Department of Education State: Designated state board or agency	Individuals at or beyond the secondary education level (defined as 7th or 9th grade, depending on the state) who require vocational training. Generally, individuals under age 15 do not participate in Vocational Education programs. (In 1980-81 an estimated 4% of participants at the secondary level were handicapped youth.)	FY 78 $642.1 FY 79 $681.6 FY 80 $784.0 FY 81 $681.6 FY 82 $648.6 FY 83 $728.7
Vocational Rehabilitation	Provides comprehensive services to persons with mental and physical disabilities with the goal of assisting them to become gainfully employed. Services may include: diagnosis, evaluation, counseling, training, reader/interpreter services for the blind/deaf, income maintenance	Rehabilitation Act of 1973, Title I, P.L. 93-112, as amended; 29 USC 701.	Federal: Special Education Programs and Rehabilitation Services, Adm., Department of Education State: State VR agencies	Individuals with physical or mental disabilities which result in a substantial handicap to employment and who have a reasonable chance of becoming employable through rehabilitation services. The emphasis	FY 78 $753 FY 79 $818 FY 80 $817 FY 81 $854 FY 82 $863 FY 83 $944

PROGRAM	PROGRAM DESCRIPTION	ENABLING LEGISLATION	ADMINISTERING AGENCY	BENEFICIARY ELIGIBILITY	APPROPRIATIONS ($ millions)
Vocational Rehabilitation (continued)	during rehabilitation period, and employment placement. The VR program may also pay for an individual to attend college.			is on persons with severe handicaps. Because of the focus on employability, persons under 16 years do not generally receive VR services.	